THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

China in 1928—A British View

(Reprinted from the *Round Table*)

The New Organic Law of the Republic

Reorganization of the Kuomintang

By Samuel H. Chang

The Clash Between the Big Swords and the Little Swords

By J. Lossing Buck

The Cement Trade in China

By J. A. J.

Settlement of the Customs Deadlock

Keswick Road Murders and Real Estate Values

許勒報

SATURDAY, OCTOBER 13, 1928

FORTY CENTS A COPY

Vol. XLVI No. 7.

Millard Publishing Co., No. 4 Avenue Edward VII, Shanghai, China 上海愛多亞路四號密勒氏評論報館

Insurance in the A.A.U. means a liberal policy, low cost and prompt settlement of claims.

American Asiatic Underwriters,
Federal Inc., U.S.A.

"Chesterfield every time!"

Mild enough for anybody
. . . and yet they Satisfy*

*SATISFY means good taste and pleasing aroma. It means that Chesterfield cigarettes have character . . . that they are not flat or tasteless.

To satisfy, a cigarette must be made from the right kind of tobaccos, regardless of cost . . . and blended and cross-blended in a different way.

Chesterfield cigarettes *SATISFY* . . . and yet . . . *they're mild enough for anybody!*

Liggett & Myers Tobacco Co.

No Effort Spared to Serve You!

SINCERE

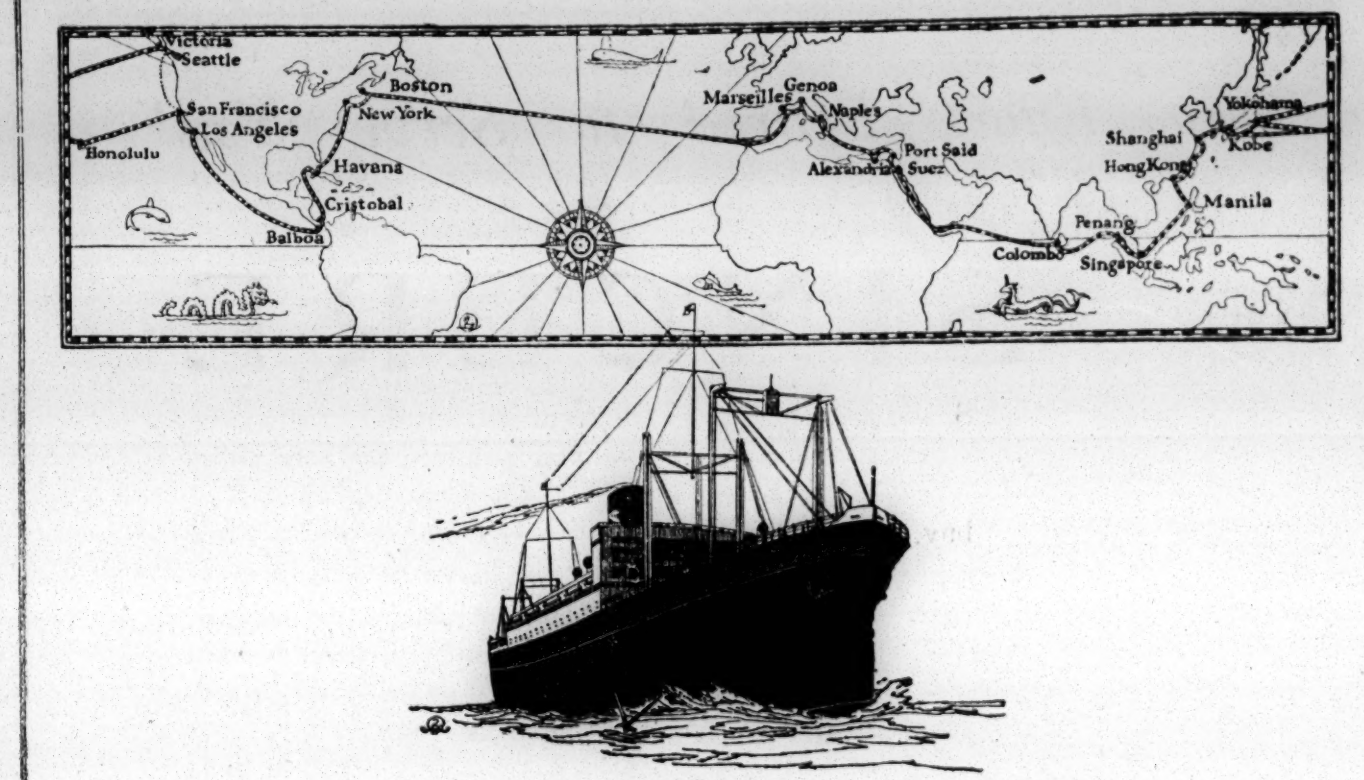
is Shanghai's premier department store and sells only quality goods at reasonable prices. Its sole policy is service to the buying public. When you have anything to buy, do not fail to visit this department store. Here you will find things that you have been wanting—exquisite works of art, beautiful furnishings, charming apparel, in fact, everything that your inclination may fancy—gathered from the markets of world by experts and sold at prices that will surprise you.

WING ON

is known throughout the Far East as the mark of highest quality in merchandise gathered from all over the world by experts in their line, and sold with the Wing On guarantee. Back of Wing On are years of experience in serving the buying public and in contributing to the development of better merchandising. You will be pleased with the varied assortment of goods of all descriptions which the Wing On store now has on display. Decide now to save on your purchases—with the additional advantage of buying only quality goods.

SUN SUN

is the most-up-date department store in this 'Paris of the Orient.' It has the utmost modern utility and convenience for discriminating shoppers, every detail of whose equipment will lend itself to the buyers' comfort and ease. This department store has taken stupendous pains to gather from the far ends of the earth the choicest commodities for its stock. The increase of the business of Sun Sun year after year can be ascribed to the Sun Sun policy of offering only reliable goods. The fact that these goods are sold at lowest possible prices enhances Sun Sun's prestige as the best place to supply all needs.



EAST OR WEST

A Service Unexcelled

The palatial "PRESIDENT LINERS" of the Dollar Steamship and American Mail Lines accord you the finest in Ocean Transportation. The public rooms are luxuriously appointed and commodious. The wide decks as well as the glassed-in promenade permit of deck games, strolls, long rows of steamer chairs and that appreciated sense of sheer enjoyment.

The Cuisine is world famous. Crisp lettuce, celery, fruits, fresh milk, eggs, meats, all delectably prepared by competent and skilful chefs. The service is all that you could desire.

The staterooms on "PRESIDENT LINERS" are all outside, large and beautifully furnished. Beds ensure maximum travel comfort. Hot and cold running water, wardrobes, mirrors, reading lamps, thermos bottles, fans. Many rooms have private tub and fresh water baths. You will enjoy traveling to America, Interport or Round the World to Europe on these great modern, fast Liners.

WEEKLY SAILINGS TO AMERICA
ONE WEEK TO SAN FRANCISCO AND LOS ANGELES VIA HONOLULU
FOLLOWING WEEK TO VICTORIA B.C. AND SEATTLE VIA THE SHORT ROUTE
FORTNIGHTLY ROUND THE WORLD VIA HONGKONG, MANILA, STRAITS, COLOMBO, EGYPT, ITALY, FRANCE, TRANSATLANTIC TO BOSTON AND NEW YORK

Dollar Steamship Line
American Mail Line

The Robert Dollar Co., General Agents.
BRANCH OFFICES IN ALL PRINCIPAL CITIES AND ROUND THE WORLD

密勒氏評論報

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China

VOLUME XLVI SHANGHAI, CHINA, SATURDAY, OCTOBER 13, 1928 NUMBER 7

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 4 AVENUE EDWARD VII, SHANGHAI CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher
LIZEN SCHENG, Advertising Manager
EDGAR SNOW, Asst. Advertising Manager

CONTRIBUTING EDITORS

GEO. W. MISSEMER BRUNO SCHWARTZ (Hankow)
CHAS. A. DAILEY (Peking) SAMUEL H. CHANG (S'hai)
LAWRENCE IMPEY (Peking)

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

Inauguration of the New Nationalist Government..... 203
U. S. Refuses to Sit on Geneva Opium Board!..... 204
Keswick Road Murders and Real Estate Values..... 205
The Case of the Shuntien Shih Pao..... 206
Manila Chinese Also Have Indemnity Charge 206

Special Articles

The Settlement of the Customs Deadlock..... 207
Amity Between English and American Journalists..... 208
Government Announces $30,000,000 Loan; Organizes Central Bank..... 209
China and Popular Education.....By Chen Chih-en 210
The Big Swords and the Little Swords Clash .....By J. Lossing Buck 213
A Chinese Woolworth in the Clock and Watch Business .....By Edgar Snow 214
The Reorganization of the Kuomintang .....By Samuel H. Chang 215
The Cement Trade in China.....By J. A. J. 217
China in 1928: A British View 218
The Organic Law of the National Government of the Republic of China..... By J. B. P. 224
Who's Who in China..... 226
Men and Events..... 228
Japanese News Reports on Chinese Situation..... 229
From the Chinese Press..... 230
The Far East ..... By Harvey R. Harris 232
What the Ships Carry between America and China..... v

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 4 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE CENTRAL 4741. CABLE ADDRESS "REVIEWING SHANGHAI."

AMERICAN OFFICE
WORLD WIDE NEWS ASSOCIATION
11 West 42nd Street New York City
Telephone: Longacre 4500 Cable Ad: Scholzem, N. Y.

PACIFIC COAST OFFICES (World Wide News Association)
William C. Lyon, L. C. Smith Bldg., Seattle
Orders for advertisements and subscriptions in the United States may be placed throught the above offices.

WASHINGTON BUREAU
J. J. Underwood—Correspondent
Colorado Building, Washington, D.C.

INAUGURATION OF THE NEW NATIONAL GOVERNMENT

THE PHASE of the ceremony inaugurating the new officials of the reorganized National Government at Nanking that is likely to be remembered longest was President Chiang Kai-shek's personal message to the Chinese people wherein he made four suggestions which he declared would determine the preservation or extinction of the country:

1—Development of a strong physique in order to overcome the degenerating influence of a weak and feeble race.

2—Preservation of ancient virtues of China and the uprooting of evil habits of carelessness and selfishness.

3—Increase scientific knowledge in order to discard foolish superstitious beliefs.

4—Become thoroughly acquainted with the new culture of the world so as to facilitate national and social progress.

In concluding his address, Gen. Chiang declared that observance of these four principles provide the guarantees for the continued existence of the Chinese race and are imperative for a reconstructed China. From the general standpoint of the country he urged unity of revolutionary thought as a means of resisting class struggles and to crystalize the spirit of patriotism and exterminate the internal military rivalries. "Thus only can we hasten the realization of the Three Principles and accomplish the major aim of the National Revolution." It was fitting that the ceremony of inaugurating the officials of the new government was held on the anniversary of the establishment of the Republic seventeen years ago, and doubly fitting that the ceremonies should be held in the city of Nanking where Dr. Sun Yat-sen was elected provisional president in 1911. The New National Government starts out under far more auspicious circumstances than Dr. Sun's republic. The number of modern-educated men in Nanking on the previous occasion probably could have been counted on the fingers of the two hands. Today, they are numbered by the hundreds of thousands in Nanking and throughout the country and while the nation is still held back by almost overwhelming illiteracy and superstition and backwardness, the so-called new culture of the outside world has taken hold and will increase with overwhelming momentum as the years pass. Seventeen years ago, when the rebellion against the Manchus first started, Dr. Sun Yat-sen's Republic only included a few provinces and even those officials who had rebelled against the Manchus, scarcely had any conception of the meaning of a republic and the masses of the people were entirely unmoved. Now the Chinese people have begun to stir. They received the shock of the World War and they have been stirred by many years of destructive internal political

and military struggles which at least have had an educational value. Today the whole country embracing a territory larger than the United States and a population four times as large is giving nominal allegience to the new nationalism which is typified by the new government just inaugurated at Nanking. Whether the present officials succeed or not, the fact remains that China has passed another milestone toward her new nationalism and toward the position to which she is entitled in the family of nations!

U. S. REFUSES TO SIT ON GENEVA OPIUM BOARD!

IT WAS an interesting coincidence that *Reuter* dispatches from both Washington and Geneva telling of America's refusal to nominate a delegate to the so-called Permanent Opium Board of the League of Nations, should have been received in Shanghai during the Chinese observance of Anti-Opium Week. The *Reuter* report from Geneva stated that the United States Government had notified the League that America considered the 1925 Convention unsatisfactory with regard to the limitation of the production of raw opium and coca leaves to the medicinal and scientific needs of the world and the control and limitation of production and distribution of all opium and coca-leaf derivatives. The American Note declared further the conviction that the Geneva Convention tended to destroy the unity of purpose and joint responsibility of the Powers which were established at the Hague Convention and expressed the belief that the eradication of the abuse of narcotics would be more likely to be achieved by a strict observance of the Hague Convention. This information is interesting at this particular time because of the obvious intentions of the Chinese Government and people to embark upon another far-reaching campaign to eradicate the opium evil from their land. It is impossible to forecast what is likely to happen, but from present tendencies it appears certain that China will again embark upon a campaign of eradication similar to the campaign which was conducted between 1907 and 1917 which succeeded in eradicating the production of opium from the entire country. The campaign which started in 1910 was the result of an agreement entered into by China and Great Britain at a conference at the Hague, whereby Britain agreed to gradually reduce opium shipments to China from British India over a period of ten years provided China would agree to eradicate the production of opium within China during the same period. China carried out her side of this agreement to the satisfaction of the entire world and as a result the British Government forced British firms to cease shipments of opium from British India to China. There was an interesting ceremony in Shanghai in 1917 commemorating the coming into effect of the Hague Convention.

UNFORTUNATELY, however, the opium and narcotics situation in the Far East has retrograded since the coming into effect of the Hague Convention in 1917. Chinese military officials as a means of raising revenues for the payment of their troops, have encouraged poppy growing and have engaged in vast opium-smuggling enterprises. Foreign nations likewise have not lived up to their part of the agreement, for while open shipments have been discontinued, a vast smuggling enterprise has been developed which is worse than the previous method of legalized sales. To eradicate this situation various conferences have been held at Geneva under the jurisdiction of the League of Nations. These conferences have generally proved abortive because of the refusal of Governments whose citizens have a vested interest in this business to bring about restrictions. The American and Chinese Governments at the Second Geneva Conference propose a broad plan of restriction of the production of opium and opium derivatives "at the source" which if adopted would have shortly limited production to the world's needs for stritcly medicinal and scientific purposes. Great Britain, however, refused to agree to this proposal and suggested counter measures which neither America nor China would accept and as a result both the United States and China withdrew. With both America and China absent, the Geneva Conference then proceeded under British direction to draft regulations which apparently were satisfactory to the vested interests engaged in this business. Now, according to the *Reuters* reports referred to in the previous paragraph, the United States has again refused to participate in a scheme obviously not based on good faith. The international opium situation therefore remains substantially unchanged because, according to a recent report to the League of Nations between fifty and a hundred times the world's legitimate needs for narcotics is being poured out of forty drug factories in eight supposedly highly-civilized countries. Seven of these forty factories, virtually all of whose products reach legitimate destinations are located in the United States, Great Britain and India. The remaining thirty or so are located in Germany, Switzerland, Holland, France and Japan and it is from amongst these that the illicit trade in manufactured derivatives of opium or the coca-plant are almost exclusively supplied. The United States is the only country which has restricted its factories to strictly legitimate medical and scientific requirements, but this restriction by the United States, obviously, has not improved the general situation since wholesale production continues elsewhere.

THE MATTER of opium production and distribution is purely an Oriental problem because no opium is produced in any Western country. China, India, Persia and Turkey are the chief growers of poppies for opium purposes, but most Far Eastern colonial possessions of European countries derive a considerable portion of their governmental revenues from the licensed sale of opium. This is particularly true of Britain's Far Eastern colonies stretching all the way from Hongkong to and including India, but also applies in the Dutch East Indies, Formosa (Japanese possession), Macao (Portugese possession), and in French Indo-China. The United States is the only Western Government which has not licenced the sale of opium in its Far Eastern territories for one of the first official actions of the United States Government after coming into possession of the Philippines was to abolish both the official and private sale of opium and while a considerable smuggling enterprise still goes on between the Philippines and the adjacent British possession of Borneo, the amount brought in is gradually being reduced. The following statement dealing with the Far Eastern opium situation is reprinted from a recent document presented to the League of Nations,

> "Ask the man in the street, what, in his opinion constitutes the fundamental narcotic problem with which Western civilization is faced, and he will tell you .... that he supposes it is the unwillingness of those countries having colonial possessions in Asia to forego the large revenues derived from the opium trade there. His answer would be correct to the extent that the ideal solution of the problem, first crystallized in international thought by the United States in 1923, is based on the principle then laid down that *the production of raw opium must be controlled in such manner that there will be no surplus available for*

manufacture into drugs over and above the world's medical and scientific requirements.

"But the world cannot wait until China has righted herself sufficiently to enable her to live up to any international agreement aiming at a general curtailment of poppy growth that, even now, she may honestly desire to undertake. Hence, since an agreement of this type that would be binding on all the opium producing countries save one would be little better than no agreement at all, this ideal solution is impossible of consideration, much less of achievement, for many years. Neither individuals nor countries will deny themselves for a principle or cause if another, unrestrained by similar considerations, is to profit by a world monopoly. Even when China becomes able to enforce some such agreement together with other poppy-growing countries, the reduction, in all of them, would undoubtedly have to take place gradually over a period of years. Again, the world cannot wait...."

THIS IS the situation which faces the world today, hence it is gratifying indeed to know that one of the first major problems to be tackled by the Chinese Nationalist Government is the opium problem and if present sentiment continues it is likely that China may again be able to prove to the world that she can rise to the occasion and do her part in the eradication of the evil. Dr. C. L. Hsia, in an address delivered in Shanghai on October 5 in connection with the Anti-Opium Week activities, declared that it was the revival of opium production by the militarists, which had much to do in driving the youth of the nation to the cause of the Nationalist Revolution as a means of obtaining deliverance. Continuing, he declared, "whatever may have been the shortcomings and back-slidings on the part of the Chinese Government, the people have never wavered on the opium question during all these years. The people are determined to fight against this evil. The remarkable anti-opium movement, headed by the National Anti-Opium Association of Shanghai, fairly represents the general feeling of our people. It is largely through their pressure and effort, that the Nationalist Government has recently appointed a Government Opium-Suppression Committee which is working hand in hand with the National Anti-Opium Association. The Powers must remember that the present situation in China with regard to the recrudescence of opium cultivation and smoking is a temporary one and will be corrected as soon as the influence and power of this popular movement gains sufficient headway and the new Nationalist Government settles down to business." Assuredly it is a sorry state of affairs when sovereign Western nations such as Great Britain, Japan, Netherlands and Portugal refuse to take action *because China is still producing opium*, but this is the situation and there can be no questioning the accuracy of the statement because the evidence exists in innumerable reports which have been issued through the League of Nations and other organizations interested in this gnestion. It therefore will be interesting to watch developments in certain colonial administrations in the Far East if China does succeed this time in stopping the production of opium. The following paragraph from the *Shanghai Times* for October 7 refers to this situation,

> In a modest little paragraph in a Shanghai vernacular newspaper, say the *Straits Times*, there is contained a threat to the finances of the Straits Settlements which is considerably more serious than the greediest proposals of Mr. Amery who has asked the Straits Government to share a portion of the upkeep of the Singapore Base. It merely states that "the National Anti-Opium Conference will be held on November 1." Having digested that announcement, and made all the allowance he pleases for the superficial character of Nationalist unity and control at the present moment, the reader should let his thoughts wander back to the last Budget meeting of the Straits Legislative Council, when the Unofficial Members poured scorn upon the suggestion that China might find herself able to meet the requirements of the Geneva Opium Conference sooner than they imagined, and therefore considered themselves quite safe in jettisoning part of the provisions made for the threatened loss of the opium revenue. After that prophecy, what happened? The Northern campaign of the Nationalist armies got going at long last. Chang Tso-lin was driven into Manchuria, Peking was captured, and Nanking, situated in the heart of China, became the new capital of the Republic and the symbol of her newly-found unity. The point has been labored in these columns before, but it will bear emphasis again, continues our Southern contemporary, that the disruption of China, her inability to control poppy-growing in her territory, and the impossibility of preventing the consumption of opium in the Straits so long as supplies are available from China, are the obstacles in the way of the wide campaign against opium. Once China can give a satisfactory guarantee that she can and will effectively control the cultivation of the poppy, the Geneva Convention will declare the commencement of that 50-year period during which the consumption of opium must be suppressed entirely in the Straits Settlements and elsewhere. Admittedly this Colony badly needs the ten per cent. of its revenue which Mr. Pountney would have put annually into the opium revenue replacement fund. But were the officials quite as secure as they thought they were when they denounced so lightheartedly the serious view which the former Treasurer took of the Colony's financial future just prior to his retirement?

KESWICK ROAD MURDERS AND REAL ESTATE VALUES

TWO BRITISH residents of Shanghai have been murdered, one slightly wounded and another dangerously wounded and one Russian woman murdered within a period of a little over three years in the vicinity of what is known as Keswick Road on the outskirts of the International Settlement. All of these murders and murderous attacks on foreigners are as much a mystery today as when they were committed. The first case was that of Wm. Mackenzie, an employe of the Shanghai Municipal Council who was driving in an automobile accompanied by a lady companion, Miss Duncan on the evening of June 19, 1925. Mr. Mackenzie was killed and Miss Duncan wounded. The shooting occurred late at night. The next case was that of a Russian cabaret girl who was shot and killed last year. The latest tragedy occurred last week, October 3, when Miss Dorothy Thompson, a nurse in the Victoria Nursing Home was killed and her companion, Mr. Dudley Law was dangerously wounded. This latest incident happened at about 6:25 o'clock in the afternoon and obviously was "hushed-up" by the police because only one Shanghai newspaper, the *Times*, printed an account in its issue of the next morning, Oct. 4, and this account was obtained from sources outside the police. In their accounts of the following day, Oct. 5, the other newspapers, the official *North-China Daily News*, *China Press* and *Evening News*, were equally barren of police information regarding the perpetrators of the crime. The *North-China Daily News* account stated, "The police investigators have been carefully over the ground, but their discoveries are being witheld from the public." The account in the *China Press* said, .. "the police declared they had unearthed no positive clues leading to the arrest of any person or persons responsible for the double tragedy." This report hinted a little further along, however, that disclosures of a startling nature might be expected. The account in the *Evening News*, the American paper, quoted Capt. W. G. Clarke, director of Criminal Investigation as announcing emphatically, "the police are not making any statement until they are in a position to do so. I have absolutely nothing to say, and will answer no questions."

THUS THE SHANGHAI Police Department, which advertises its exploits in the apprehension of Chinese kidnappers and armed robbers in big headlines in the foreign press, confesses its

impotency in dealing with the perpetrators of these murders and murderous attacks on foreign residents. Aside from suggestions that this is a "dangerous" district; that a certain village in this area is the habitat of pirates and bandits, there has been no definite information, or at least there had been none when these paragraphs were written a week following the perpetration of the crimes. The robbery theory likewise does not hold water, because there was no robbery in any of the cases. That this area of the so-called Western District of Shanghai is a "dangerous" area. there can be no question. The roads which the Shanghai Municipal Council has constructed through Chinese territory in this area over the protests of the Chinese, are still a source of dispute although nearly four years have elapsed since their original construction. And now added to the road squabble, we have the unsolved murders—three murders and two persons seriously wounded—an obviously serious situation in an area which should be the most desirable residence section of Shanghai. Property values throughout this section of Shanghai are being adversely affected by this deplorable state of affairs; hence one wonders how much longer it will be before the property owners, foreign and Chinese, in this section of Shanghai will rise to the occasion and put an end to a situation which makes this state of lawlessness possible.

THE CASE OF THE SHUNTIEN SHIH PAO

THE *Shuntien Shih Pao* is a Japanese owned and edited newspaper published in the Chinese language in Peiping. Due to the protection which this paper has enjoyed by reason of extraterritoriality, that is, protection against pressure by the officials of the Chinese Government, the editor has for long considered himself free to attack the Chinese people, their government and institutions. During the progress of the Tsinan incident in Shantung last spring the *Shuntien Shih Pao* went to great extremes in placing the blame for the whole trouble upon the Chinese. The paper has constantly opposed the Nationalists and, serving as a sort of organ for the Japanese Legation in Peiping, and has conducted propaganda against the union of Manchuria with the Nationalist Government. It has also opposed the establishment of the National Capital at Nanking. A few weeks ago the Chinese in Peiping declared a boycott against the *Shuntien Shih Pao* and since that time has practically prevented the distribution of the paper. On October 4 the Japanese Minister in Peiping, Mr. Yoshizawa, sent a circular letter to the other members of the Diplomatic Corps in which he alleged that the Chinese action in boycotting his newspaper constituted a violation of the resolution adopted at the Washington Conference wherein China agreed to maintain the efficiency of the Chinese postal service in exchange for the Powers' agreement to withdraw their postal agencies from Chinese soil. The Japanese Minister alleged that the Chinese postal employes had connived at and assisted the boycott against the Japanese newspaper. Whether this allegation is correct, we cannot say, but the Japanese Minister should be credited with extreme optimism if he imagines the other ministers will support him in his proposal; or even if they did support him, that the Chinese Government would pay any attention to the protest.

FROM the standpoint of the Chinese people and their Government, the case of the *Shuntien Shih Pao*, the Japanese newspaper in Peiping, is but another instance of abuse of privileges by foreign newspapers published on Chinese soil. During the spring of 1927 the *Central China Post*, a British newspaper in Hankow was forced to suspend publication owing to a strike of Chinese printers who refused to "set up" the abusive editorials attacking the Chinese which were appearing in the paper and several months ago the Nationalist Government at Nanking denied mail privileges to the *North-China Daily News*, the official British paper in Shanghai for the same reason. Most of these newspapers are either owned or controlled by die-hard foreign interests which have always looked upon China as a potential colony and upon the Chinese people as an inferior race of human beings incapable of self-government. No country in the world would permit a foreign press of this character to function within its boundaries, but here in China where extraterritoriality prevails, these newspapers have exceeded common decency and legitimate journalism and have gone to extents which would be labeled seditious in any other country. Imagine, for example, the Japanese attempting to publish a newspaper in San Francisco which attacked the American Government as the *Shuntien Shih Pao* has been attacking the Chinese Government; or on the other hand imagine how long the British government and people would put up with an American newspaper in London which attacked the British government and English institutions as the British *North-China Daily News* has been doing here in Shanghai in respect to the Chinese. It simply couldn't be done: but here in China it is done and the Chinese have thus far been helpless to protect themselves even though these newspapers have seriously handicapped the Chinese in their work of unifying the country. The Chinese do not object to legitimate constructive criticism, but they are becoming exceedingly impatient at foreign newspaper attacks and propagandas the obvious purpose of which is to block the Chinese people and their government in the realization of what they consider their legitimate aspirations in the spheres of governmental, social and economic reforms. This whole fabric of foreign intrigue and propaganda in China will break down with the passing of extraterritoriality, but until that time comes, the Chinese are likely to use other methods such as the boycott, strikes and denial of mail privileges to protect themselves against a menace which can be regulated by laws in other lands!

MANILA CHINESE ALSO HAVE INDEMNITY CHARGE

THE CHINESE Consul-General at Manila, Mr. Koliang Yih, has asked the Nationalist Government to take up with the American Government the matter of payment of an indemity amounting to Pesos 34, 196.15 covering losses suffered by Chinese interests at Manila on account of anti-Chinese riots in that city in October, 1924. According to a report appearing in the *Manila Bulletin* on September 29, the Chinese interests in Manila have decided to lodge the claim with the American Government at this time as an offset against the claims of American citizens for losses suffered by American citizens in the Nanking incidents at Nanking in the spring of 1927. The Chinese Consul-General stated, in the course of an interview, that it had been impossible to lodge a claim for damages previously because of the unsettled condition of the Chinese Government, but that now that a stable Government has been developed, the Chinese interests in Manila had decided to present their claim for an indemnity, the allegation being made that the Manila riots and attacks on Chinese in the fall of 1924 were similar to the attacks on American citizens and other foreigners in Nanking last year.

The Settlement of the Customs Deadlock

ONE IS REMINDED of the old saying, "Talking to keep up one's courage," as a result of reading an editorial in the *North-China Daily News* on October 4 dealing with the subject of the appointment of an Inspector-General of Customs. Although very little has appeared in the foreign press on the subject, it has been generally known that a hot controversy has been raging in Chinese official and commercial circles over this question of the appointment of an "I. G." or to use the more dignified term, "Inspector-General" of the Chinese Maritime Customs Administration. In the issue of *The Review* for August 11 there appeared a lengthy discussion of this subject, hence it is not necessary to repeat the details, but briefly this question has constituted a major subject of discussion in both official and civilian Chinese circles. About two years ago Marshal Chang Tso-ling, the dictator of the Peiping Government dismissed from office, Sir Francis Aglen, a British subject who for many years had served as Inspector-General of Customs. Aglen named as his successor, Mr. A. H. F. Edwardes, a junior in the service who occupied a secretarial position in the Peiping office, but who previously had been Commissioner of Customs at Canton at the time of the Shameen incident in 1925. The Peiping Government concurred in the appointment of Edwardes, but instead of making him "I. G." he was appointed "officiating" Inspector-General, which indicated that the appointment was of a temporary nature. At the same time the Peiping Government, which was then under strong Japanese influence appointed a Japanese subject, Mr. Kishimoto, as secretary, this being the first time that a Japanese subject had ever been advanced to a place in the head office and thus being placed in line for the appointment as Inspector General. It is needless to explain that the Inspector-Generalship of Customs in China has always been occupied by a British subject, there being some kind of an understanding between China and Great Britain that a Briton is to hold this job so long as British trade with China predominates over the foreign trade of other nations.

When Mr. Edwardes was appointed "officiating" Inspector-General of Customs it was understood that the appointment was to be for only one year or until the actual expiration of Sir Frances Aglen's term of office, he having been given a year's leave of absence after his dismissal by Marshal Chang Tso-ling as a sort of face-saving gesture. Mr. Edwardes' term as "officiating" Inspector-General actually expired last spring before the Nationalists were able to capture Peiping, but Mr. T. V. Soong. the Nationalist Minister of Finance blocked his appointment to the permanent position by issuing a statement that the Nationalist Government would not be bound by any action of the Peiping Government. Mr. Edwardes then came down to Shanghai to see Mr. Soong and this actually marks the beginning of the controversy or deadlock over this question which was settled by the Nationalist Government last week when Mr. Edwardes was instructed to carry on *temporarily* as "officiating" Inspector-General and Mr. F. W. Maze, the Commissioner of Customs at Shanghai was named Deputy Inspector-General. An exact translation of the Government's mandate on this subject has not yet been issued in the English language, but the Chinese newspapers in Shanghai published the following official report of the action,

> Nanking—On October 2, the Government Political Council at Nanking held a meeting and the question of the appointment of an Inspector-General and Deputy Inspector-General of the Maritime Customs Administration was discussed. At the meeting many of the members of the Government Council strongly opposed the appointment of Mr. Edwardes as Inspector-General, but it was finally decided as a compromise that he should be permitted to continue in office as "officiating" Inspector-General, *temporarily*, and that Mr. F. W. Maze, Commissioner of Customs at Shanghai should be appointed Deputy Inspector-General. The meeting was attended by practically all of the leading officials of the Government, including...."

Since this report from the *Shun Pao* is apparently an accurate one, it obviously does not warrant the declaration which was made by the editor of the *North-China Daily News*, the official British newspaper in Shanghai on October 4 that Mr. Edwardes had been appointed to the permanent position of Inspector-General. What the editor of the *N. C. D. N.* is doing is "talking to keep up his courage," because it does not require much knowledge of what is actually taking place in Chinese political and commercial circles to realize that vast changes are shortly to take place in the administration of the Chinese Maritime Customs. To refer back to the controversy over the appointment of an Inspector-General, there have been many elements involved which are of interest in connection with the whole subject of a reform of the Customs Administration. When the Customs Administration was developed under Sir Robert Hart it was a purely Chinese service with the foreign staff serving as technical "advisors" to the Chinese Government, but since the establishment of the Republic in 1911, the Inspector-General has become a sort of "dictator" of Chinese government finance, working in conjunction with the British Legation and Diplomatic Corps in Peiping. In other words, Sir Francis Aglen and his successor Mr. Edwardes are alleged to have paid little attention to the wishes of the Chinese. They "released" or "witheld" the payments of the customs surplus to the Chinese Government arbitrarily and on occasion, have, in connection with a certain clique of Chinese bankers, been accused in the Chinese newspapers of using their inside knowledge of the status of the Customs surplus for the alleged purpose of artificially stimulating or depressing the domestic bond issues which were floated by the Northern Government to finance its various internal wars against Mukden or against the South. Peiping's appointment of Mr. Edwardes as "officiating" Inspector-General also led to dissention within the Customs Administration because Mr. F. W. Maze, the Commissioner at Shanghai was a senior in the service and was eligible for the position. Then in addition to this the Cantonese Kuomintangists have never forgiven Mr. Edwardes for his action in 1925 in violating the orders of the Canton Government and arbitrarily closing the Canton Custom House following the Shameen incident. This led to serious disruption of trade at Canton and worse, to a serious loss of face for the Canton Government. The Nationalists have been particularly friendly toward Mr. Maze because he has realized all along that nationalism was certain to prevail in China and has done much to preserve the integrity of the Customs Service throughout the Yangtsze Valley and South China during the civil war. Twice during 1927 the Nationalists offered Mr. Maze the position of "Deputy" Inspector-General and once "Southern" Inspector-General, but on both occasions he refused because of his desire not to disrupt the service. The fact that he has now definitely been appointed Deputy Inspector-General, is a tribute to the high regard

in which he is held by the Chinese commercial interests, as well as by the officials of the Nationalist Government.

What the Nationalist Government is now trying to do is to bring the Customs Administration back to the status which prevailed under the administration of Sir Robert Hart in the latter years of the Empire prior to the establishment of the Republic. At that time the real authority was the Chinese head of the Customs administration functioning under the financial branch of the government. The present-day Chinese have no desire to disrupt the Customs Administration; rather the reverse, but they do want to put an end to the situation which has prevailed for several years whereby the Inspecter-General of Customs with the support of the Diplomatic Corps, has occupied the position of "czar" over Chinese Government finance and where any foreign minister by raising objections could block releases of the customs surplus to the Chinese Government for any reason whatsoever. But while making the changes necessary to bring the Customs Administration back under the jurisdiction of the Chinese Government the Chinese undoubtedly have no desire to disrupt the service or take any action that would adversely affect their domestic or foreign credit. They do wish, however, to modernize the service, weed out dead-wood in the personnel and bring about reforms in the direction of increased efficiency. Since they are obligated by treaty to have a foreign Inspector-General, they undoubtedly would prefer a Briton to a Japanese. While no one outside of the innermost circles of the Nationalist Government knows what has taken place recently in connection with the Government's decision to permit Mr. Edwardes to carry on, it is obvious that these various elements entered into the decision. Therefore, we believe we are correct in the assumption that while Mr. Edwardes has been permitted to carry on as *temporary* Inspector-General, that it is upon a different basis from that which prevailed when Sir Francis Aglen occupied the same position!

Amity Between English and American Journalists

ON THE CAMPUS of the School of Journalism of the University of Missouri there is enshrined a stone, taken from the chapel of St. Paul's Cathedral in London. It was presented by England to America, as a perennial symbol of the amity and understanding between the journalists of the two great English-speaking races. When the gift was made a few years ago by Sir Esme Howard, British Ambassador to the United States, it was the occasion for a wide-spread exchange of greetings between leading newspapers and various other publications of the two nations. Speaking before the student body at Columbia, Missouri, Sir Esme pointed out that it was peculiarly fitting that England should have chosen such a token of the good-will of her journalists for those of America, since it was within the shadow of old St. Paul's that many of his country's greatest writers had lived and created much of the vivid writing that animates English literature. And for America too, he said, it was highly appropriate that the University of Missouri School of Journalism should have been selected as trustee for this pledge of confraternity. The oldest school of its kind in the world, its curriculum constituting a model for all other schools of a similar nature which now exist, and its ideals representing the highest aspirations of that profession the principles of which it teaches, the traditions of the Missouri institution well graced the rich heritage of the historic centuries-old stone from St. Paul's.

Now the stone stands near the entrance of the main building of the School of Journalism, where hundreds of students must pass it every day. To these keen-minded young men and women, attaining toward newspaper work, who come to Missouri from every section of the United States and from many nations, including Great Britain, the St. Paul's relic is a constant reminder of the relationship which exists between the public prints of England and America and of the loyalties each owes to the other. Thus it is particularly ironic that occasionally there comes to notice, in various tight-minded and provincial sections of the world, a vitriolic, badly-stuttered and obliquely-worded bit of yellow writing which aims to bite into the very heart of Anglo-American journalistic amity. Of course intelligent journalists in England and America recognize that only by fearless public discussions of the national differences that are inevitable between two great nations can loyalties be kept young and our understanding be honest and uninhibited. But to reduce such discussions to adolescent indulgence in personal animosities and the basest kind of mud-slinging aberrations, forgetting that the first purpose of a newspaper is to present *news* and to do that *truthfully*, is nothing less than complete acknowledgment of ignorance of the background of the profession ostensibly represented. Further, it constitutes a sinister threat to Anglo-American relations in the community affected, particularly among the less discerning—those who are unable to perceive the selfish, mercenary, and often blackmailing motives of such "writers" and who accept as verities all of their libellous statements. It is also richly ridiculous, yet strangely significant that such imbecilities generally have their nascence in that which substitutes for a brain in individuals whose financial assets are so negligible that no satisfaction can be secured in this respect by the injured party, if suit for libel were brought, and whose reputations already are so completely besmirched that a so-called "moral" victory through the courts would be entirely empty. We think again of that splendid inscription on the St. Paul's stone that is in the shadow of the great columns on the campus of Missouri, attesting to the friendship of the Anglo-American press. And in this connection we are reminded of the cordial relationships which *The Review* enjoys with British journals throughout the world. It has always been a matter of intense gratification that *The Review* although an American journal, has, nevertheless attracted an ever increasing clientele of readers in Great Britain and elsewhere in Europe among leaders of public thought who are interested in the tremendous problems demanding solution in this part of the world. Not infrequently *The Review* receives letters from subscribers abroad who say, "Having read the accounts in the newspapers, I always turn to the columns of *The Review* to see what actually happened." That *The Review* has contributed in small measure toward the solution of some of the problems involving the relations of East and West, is a matter of justifiable gratitude. Therefore we remain satisfied to rest our opinions with the larger-visioned English public, in Shanghai as well as abroad, that is served by responsible respectable papers representing the higher ideals of journalism common both to the American and British press.

Government Announces $30,000,000 Loan; Organizes Central Bank

The Nationalist Government, on October 6 authorized the Ministry of Finance to issue immediately a loan of $30,000,000 to be known as the "Shot-term Currency Loan of the 17th Year of the Republic." According to the statement, the money will be used for currency reform purposes, the bonds being issued at 92 and carrying interest at eight percent. The term of the loan is seven years with principal and interest payable semi-annually. Seven percent of the loan will be redeemed annually the first three years, 20 percent annually the 4th, 5th and 6th years and 19 percent the last year in 1935. The security for the loan will be a portion of the Customs revenue originally set aside for the German Boxer Indemnity. The Inspector-General of Customs will be instructed to deposit this amount monthly in a specified bank as a sinking fund for the redemption of interest and principal. The bonds will be issued to the public before the end of the present month

Mr. T. V. Soong, Minister of Finance, Who Will Head New Central Bank.

In addition to the announcement of the new $30,000,000 currency reform loan, the Nationalist Government also announced plans for the immediate opening of Central Government Bank with headquarters in Shanghai, the bank to have an authorized capital of $20,000,000, to be appropriated from the Central Treasury. According to the tentative regulations, the new Central Bank of China will be controlled and operated by the Nationalist Government. The capital of the bank may be increased by the sale of additional shares offered to Chinese merchants and bankers, but in no case can the private shares exceed 49 percent of the total authorized capital. The Bank will be granted a charter for 30 years which may be extended by the Government Council. The new government bank will have the right to issue notes, mint and issue coins, act as Government depository, raise, collect or manage domestic or foreign loans, but will not be permitted to engage in any form of business involving speculation. The Bank will be administered by a Board of Directors, with the Minister of Finance as Governor of the Bank. The terms of the directors will be for three years and in addition to the board of directors there will be a supervisory board. Fifty percent of the annual surplus profits will be set aside for public loans. The board of directors include the names of T. V. Soong, Minister of Finance; Wang Pao-luen of the Chen Ta Bank; Chien Yung-min, Bank of Communications; K. P. Chen, Shanghai Commercial and Savings Bank; Yung Tsung-ching of the Flour Trade Guild; Chow Chung-liang of the Dye Industry and Yeh Cho-tang, real estate dealer. The supervisory board includes the names of Li Ming, Chekiang Industrial Bank; Pei Chu-yi, Bank of China; Yu Ya-ching, General Chamber of Commerce; Ling Kang-hou, Chamber of Commerce; Chin Jen-ching, Fu Yuan Exchange Bank. T.V. Soong, Minister of Finance will be governor of the bank with Chen Hang as probable vice-governor.

It has also been announced that the Ministry of Finance is making immediate plans for the opening of the Shanghai Mint, said to be the largest in the world which was constructed here several years ago but was never opened due to the disturbed political situation.

America, Germany, France and Holland Send Congratulations

E. S. Cunningham, American Consul-General at Shanghai, received the following telegram from Frank B. Kellogg, Secretary of State on Wednesday, October 10.

"Convey to the Chairman of the Government Council of the Nationalist Government, the President's cordial felicitations on this anniversary of the Proclamation of the Chinese Republic."

Mr. Cunningham handed the telegram to Wunsz King, Commissioner of Foreign Affairs at Shanghai at the reception which was given by the staff of the Bureau to the Consular Body on Wednesday morning. Mr. King immediately transmitted the telegram to Dr. C. T. Wang, Minister of Foreign Affairs at Nanking.

In addition to the American congratulations, cables were also received from Germany, France and the Netherlands.

The message from the Dutch Minister read "On the occasion of your country's National Commemoration, I hereby extend sincere congratulations and wishes for the happiness, prosperity and glory of your country."

The French Charge d'Affaires' message read: "On the occasion of your country's National Commemoration, I extend to you my sincere wish for the happiness and prosperity of your people."

The German Charge d'Affaires' message read: "On this occasion of the National Commemoration of the great Republic of China, as an expression of mutual amity between our two countries, and on behalf of my Government, I extend to you my sincere and cordial fecilitations and wishes for the happiness and progress of your people."

More than 500 guests including members of the local Consular Body, local officials of the International Settlement and French Concession and foreign and Chinese residents of Shanghai attended the reception at the Foreign Bureau in Shanghai on Wednesday morning.

China Wants Representation on Opium Enquiry Commission

In connection with an editorial article in this week's issue of *The Review* on the subject of America's refusal to sit on the Geneva Opium Board it is interesting to note that considerable opposition has arisen in Chinese circles by the decision of the League of Nations to send an opium commission of inquiry to the Far East. The Chinese do not object to the investigation itself, but they strongly disapprove of the manner in which the League has gone about the matter.

The National Anti-Opium Association, a representative organ of the Chinese people which has been waging a vigorous campaign against opium, has recently issued a manifesto stating its views on the matter.

According to the manifesto, the Association views with great disapproval that the task set for the proposed commission should be limited to a mere investigation of opium conditions in the Far East to the exclusion of narcotic problems, whereas opium and narcotics are two closely allied evils and the manufacture of narcotic drugs in Europe is certainly as serious a matter as opium. The Association urges the appointment of Chinese representatives to the commission and an enlargement of its scope to permit an investigation of both opium and narcotic conditions not only in the Far East, but also in other parts of the world.

The proposal for the appointment of Chinese representatives is supported by Dr. H. Hodgkin and Rev. Sparham of the London Mission, both of whom are missionaries of many year's residence in China and well acquainted with its opium and drug problems. They recently sent a cablegram to their home mission board in London stating that Chinese cooperation in the opium commission of inquiry is imperative and strongly urge British advocacy of the appointment of Chinese representatives.

October 10th Holiday Enthusiastically Celebrated

China's "Fourth of July" falls on the tenth day of the tenth month and is therefore frequently referred to as the Double Tens festival. On October 11, 1911, the revolution started at Wuchang and Hankow which, during the following years, ousted the Manchus from the throne of China, never to return. Since that date, October 10 has been observed as a holiday, and never so demonstratively as this year, as this was the first time that China has been under a unified government since the Throne and the Manchus both disappeared in 1912.

In Shanghai, which has the largest Chinese population (as well as foreign) of any city in China, the celebrations took place on a most elaborate scale.

Not only in the area known as Greater Shanghai, which is the district under full Chinese control surrounding the Foreign International Settlement and the French Concession, but in the latter, all business was suspended, the business men and the masses vying with each other in setting the day apart for rejoicing at the new order of things in China.

At the Bureau of Foreign Affairs, representatives of the Foreign Powers attended and drank the toast of "Long live the Republic of China" proposed by Commissioner King. There were about a thousand guests present at the Bureau of Foreign Affairs early in the morning.

Following the flag raising the celebration was continued in the Diplomatic Hall, where the walls and ceiling were elaborately decorated. A band occupied a place on each side of a platform which had been erected in the center of the hall. After Dr. Sun Yat-sen's will had been read, Mayor Chang Ting-fan and other prominent officials made addresses.

A manoeuver of the troops at Lungwha was also held during the day.

Telegrams from all parts of China testified to the fact that the holiday was everywhere being enthusiastically celebrated.

China and Italy Settle Nanking Incident

The Ministry of Foreign Affairs at Nanking on October 11 issued the following communique relating to the Sino-Italian Settlement of the Nanking Incident:—

The Nationalist Government settled the Nanking Incident of March 24th, 1927, with the Italian Government on October 8, when an exchange of notes was effected between Dr. C. T. Wang, Minister of Foreign Affairs, and Mr. Daniele Vare, Italian Consul-General at Shanghai, who presented the document to Dr. Wang in exchange for the note from the Chinese Government.

The texts of the notes follows:—

FROM DR. WANG TO MR. VARE.

(Translation by Ta Chung news agency)

"Monsieur le Ministre:

"With reference to the Nanking Incident which took place on March 24th last year, I have the honor to inform Your Excellency that, animated by a desire to promote the most friendly feelings happily subsisting between the Italian and Chinese people, the Nationalist Government are prepared to bring about an immediate settlement of the case along the lines already agreed upon as a result of recent discussion.

"In the name of the Nationalist Government, I have the honor to convey to the Italian Royal Government their sincere regret at the loss of the Italian subject at Nanking, although after investigation it has been found that the Incident was entirely instigated by the Communists prior to the establishment of the Nationalist Government at Nanking.

"I have the pleasure to say that the Nationalist Government have taken effective steps for the punishment of the persons implicated in the said Incident and for the continous full protection of the lives and property of Italian residents in China.

"In accordance with the well accepted principles of International Law, the Nationalist Government are prepared to make adequate compensation for the loss of life of the Italian subject at Nanking, and propose the institution of a Sino-Italian Joint Commission for the purpose of assessing the amount of such compensation.

"Pease accept, Monsieur le Ministre, the assurance of my high consideration. "CHENGTING T. WANG"

FROM MR. VARE TO DR. WANG.

"Monsieur le Ministre:—

"I have the honor to acknowledge the receipt of Your Excellency's Note dated September 24th, 1928, which reads as follows:

(Here is quoted textually the Note from the Minister for Foreign Affairs.)

"Taking note of the orders issued by the Nationalist Government and of the intentions expressed by them, I accept on behalf of the Italian Royal Government Your Excellency's Note in settlement of the Nanking Incident of March 24th, 1927.

"Please accept, Monsieur le Ministre, the assurance of my high consideration. "DANIELE VARE"

In addition to the above notes exchanged, Mr. Vare sent to Dr. Wang another communication in answer to an earlier note from the Waichiaopu, in which the Italian Minister said that his Government was ready to enter into discussions with the Nationalist Government for the conclusion of a new treaty on the basis of equality and mutual respect for sovereignty.

Indian Assembly Fails to Pass "Public Safety" Act

(According to a Reuter report from Simla, India, last week the Indian National Assembly failed by a small margin to pass a so-called "Public Safety" Act, the purpose of which was to give the Government power to deport without trial any agitator alleged to be guilty of spreading 'bolshevik' doctrines. The following report of the debate in the Indian Legislature is reprinted from the Manchester Guardian for September 13)

Simla.—The debate on the Public Safety (Removal of Communist Agents) Bill, introduced by Mr. Crerar, the Home Member, was continued in the Assembly to-day.

Sir Victor Sassoon said that the European groups supported the principle of the bill, but felt that its details required examination by a Select Committee. He referred to the wide powers already exercised in the United States, South Africa, and Australia. British Communists, he declared, deserved no quarter. The Communists who were sent to India were trained propagandists who were not confining their attention to Bombay. He gave a graphic account of his personal experiences of the dangers of Communism in China, which had led to the execution recently of thousands of "Red" Chinese.

Lala Lajpat Rai objected to the principle of the bill on the ground that it gave excessive powers to the Executive to expel persons without trial, and charged the Government with having a dishonest purpose. The measure was aimed at the Indian Nationalists and would be abused by the Government, whom he mistrusted. The Government did not possess the confidence of the country and should be given no further powers. The Bolshevist danger was a myth. The British only came to India to make money and not to protect India.

Sir Denys Bray, in an impressive speech, said that Lala Lajpat Rai had used a barrage of words, which was merely a smoke-screen to conceal the barrenness of the arguments behind them. He ridiculed his allusion to the cost of exporting the extremists, who hoped to undermine the whole social system of India. The Third International had preached its doctrine on the housetops and had done so too openly to deceive India. Would Hinduism allow an invasion which was more dangerous than armed force? India had already problems enough of her own without this imported cancerous growth.

British Decide to Withdraw Garrison from Shameen

(Associated Press Dispatch in the Manila Bulletin)

Canton, September 27.—The British government has decided to withdraw the garrison from Shameen island to Hongkong.

The garrison consisted of a battalion stationed on the island, whereon are located most of the homes and business firms of Britishers and other foreigners. The troops have been on guard for 16 months.

The troops will not be replaced.

The Chinese interpret the decision as a friendly gesture on the part of Great Britain toward the Nationalist government, which nominally controls Canton, although the Kwangsi military clique is the real dictator.

Chinese Firm Awarded Large Philippine Contract

The Chinese contracting firm of Tan C. Tee and Company of Manila has been awarded the contract for the initial work on the extensive new wharves and docks which are to be constructed at Iloilo, Philippine Islands, according to an announcement of A. D. Williams, director of public works which appeared in the *Manila Bulletin* on September 26. The completed Iloilo docks and wharves will cost approximately Pesos 5,000,000. There were five bidders for the initial construction and the award went to the Chinese firm whose bid was Pesos 1,476,354.

Council Still Refuses to Cooperate With Greater Shanghai

The Municipal Council of the International Settlement is still continuing its opposition to any form of cooperation with the health authorities of the Greater Shanghai Municipality, according to a letter of protest which Dr. Hou-ki Hu sent to the Council on October 5. Dr. Hu, who is a graduate of Johns Hopkins University, is the head of the health department of the Chinese city. A copy of his letter of protest appeared in the Chinese newspapers last week in which he declared that if the members of the Shanghai Municipal Council could read the Chinese language they might be more familar with the constructive work which is being done in the Chinese city. The letter also alleged that the Council's refusal to cooperate was largely based on the fact that the Health Department of the Chinese city is not located in a "palatial" building. Dr. Hu's letter also raised a number of questions, one of which was whether a city health department should be maintained for a few people or for the benefit of the masses of the people; how many persons have been vaccinated against smallpox in the Settlement in comparison with the 67,000 persons vaccinated in the Chinese city last year; what is the Settlement doing about preventing the spread of cholera in the Settlement when the Chinese authorities vaccinated 110,000 persons against this disease last year? The letter also states that the Chinese doctors connected with the Greater Shanghai Health Department are all graduates of Johns Hopkins Medical College and asks how this compares with the qualifications of doctors in the health department of the Settlement. The letter also asks the Settlement authorities about the "quacks and mid-wives camouflaged as doctors" in the Settlement and states that they practically have been eliminated from the Chinese area. The letter concludes with an appeal for futher consideration of the question of cooperation which was turned down by the Settlement some time ago.

Higher U. S. Tariff on "Small" Oriental Rugs

Collectors of customs duties at American ports have been instructed, according to a Washington dispatch in the *New York Herald-Tribune*, to assess higher rates of duty on small Oriental rugs not exceeding 30x54 inches, than previously has been the case. The new rate will be 55 percent, an advance of 15 percent over the previous duty. Heretofore all small rugs have been classified as floor coverings, but in future they are to be known as "mats" according to the new order. The order was to go into effect 30 days after publication of the order which was on Sept. 14.

Embroideries Also Increased

Acting on information received from trade centers in China, the United States Appraiser's Office in New York has also increased valuations on embroideries and laces imported from this country during the last six months. The change in valuations, made in harmony with market values in China netted the U. S. Governmenl over G. $300,000 in additional duty. During the next twelve months, it is estimated, G. $500,000 in additional revenue will be paid by American importers on this merchandise as a result of the increases.

Shanghai Art Club to Open New Premises

The Shanghai Art Club, founded in the Spring of 1928 with an international membership for promotion of sketching, painting and kindred arts, will formally open the Club's premises at 390 Avenue Foch on Saturday, October 27, at 3.30 p. m. with an exhibition of sketchings and paintings made by members of the Club. Mrs. Rhoda Cunningham, the wife of the American Consul General, will perform the opening ceremony of the first exhibition to be arranged by members of the Shanghai Art Club. A descriptive catalogue of work to be shown is in course of preparation. Further details regarding the exhibition will be announced in due course.

Completes Studies for Doctor's Degree in International Lew

Don Burdick, an American member of the Chinese Maritime Customs Administration has returned to China from two years spent in study in the United States and in Europe, one year being at the University of Washington at Seattle where he received the M. A. degree and last year at the Institut Universitaire de Hautes Etudes Internationales at Geneva, where he completed the work for the degree of Ph. D. in Interntional Law. Mr. Burdick has been a member of the Customs Service for seven years. He is now stationed at Canton.

Shanghai Postal Strike Comes to an End.

The strike of 2,000 Shanghai postal employees came to an end Saturday, October 6. It was at first stated that one of the terms of settlement was that the demand of the strikers that Liu Shu-fan, Director General of Posts be dismissed, had been agreed to, but this was later denied, an explanation being given by the Nanking Government that the postal service had only recently been taken back from foreign control and as the post office was in a foreign settlement, armed police were on duty only to maintain order. It was announced, however, that the pay of some of the postal employees was to be increased. Delivery men will get a raise of from $2 to $3, clerks from $5 to $50. The pay of higher officials is to be reduced, so that they will in future get the same amount of dollars as they previously got taels, which means a reduction of one-third. In the meantime the Nationalist government has passed a law forbidding government employees, including postal workers, from going on strike.

Elaborate Scheme for Rebuilding City of Nanking

Liu Chi-wen, Mayor of the Special Municipality of Nanking, has announced his plans for the reconstruction of Nanking as the Nationalist Capital, the plans calling for the division of the city into five areas: business, administration, industrial, school and residential. The business district wil be located at Hsiakwan outside the old city wall adjacent to the Yangtsze River and the Shanghai-Nanking Railway station. The administrative district has not yet been selected, but various government officials favor the area where the former Ming Dynasty palaces were located. The proposed industrial area will be located in the Pehwachow-Yentzechi area while the schools will be located in the Yuhwatai region. It is proposed to develop the residential district in the neighborhood west of the present Drum Tower.

New Chinese Government Mint in Shanghai Nears Completion

The Chinese government mint in Ferry road, Shanghai, the erection of which was first started in 1921, is at present nearing completion. Announcement was made during the week that it is hoped to have the new mint in operation in about six months. When the Shanghai mint begins to operate it is proposed to close up the smaller mints at Nanking and Hangchow, removing from those two mints such machinery as is suitable for use in the Shanghai establishment.

The new mint is stated to have a capacity of two million silver dollars a day, and when it begins operation a start will be made upon the plan of abolishing the various kinds of taels in China, as was decided last summer by the Nationalist Government.

American Co. Shanghai Volunteer Corps in Camp

The American Company of the Shanghai Volunteer Corps went into camp Saturday, October 6 and held a smoker in the evening, when among other guests present were: Consul General Cunningham., Sterling Fessenden, Chairman of the Council and Civil Commandant of the S.V.C., Col. Kilgore, commanding the 4th U.S. Marines, and Col. Orpen-Palmer, Commandant of the Corps.

The Municipal Band played a number of popular airs, Chaplain Hall of the U.S. Marines led in community singing, and members of the Wilbur Blackbirds were also present to enliven the occasion.

At the shooting during the day at the Rifle Range, the S. M. Police won the American Company Cup with a score of 282. In the American Co. versus the World shoot the former won the prize with a score of 906 against 897 for the losers.

Council Grants Exclusive Franchise to Oriental Protective Association

The contract made between the Shanghai Municipal Council and the recently established Oriental Protective Association was published in the issue of the *Municipal Gazette* of September 28. In consideration of the Association maintaining an efficient electric burglar alarm service the Council grants it an exclusive franchise. The Association's system of alarm is to be connected to and work in conjunction with the system already installed by the Council and is to be connected to various police stations.

Hankow Safety ureau Raids American Drug Store Premises

Agents of the Hankow Public Safety Bureau raided the upper floors of the premises occupied by the Associated Drug Company, American Incorporated, and took into custody the German manager, Mr. Dorville who was one of the foreigners in charge in the absence of Max Vitally, the principal proprietor in America. Two Chinese assistants were also arrested.

The agents of the Safety Bureau are understood to have said at the time that they were raiding the upper rooms of the premises, which are the quarters of Mr. Vitally, and at present untenanted, because they had been notified that morphine and heroin were being illegally sold there. The Bureau agents gave orders to have the store closed as there were no other foreigners present to take charge of it.

Mr. Dorville and the two Chinese assistants were charged with illegally trafficking in narcotics. Mr. Dorville was allowed to return home for dinner the same evening, but later again returned to the Police Bureau where he was detained until his release on bail was arranged for.

In a statement concerning the incident, Mr. Dorville said: "Two Chinese entered the store, one of whom was supposed to be a doctor from a large hospital in Hunan. He ordered some morphine against a doctor's prescription. The goods were shown to him, the price agreed upon, and the buyer made a motion as if to get the money from his pocket, but instead he covered me with a revolver, at the same time blowing a whistle, which was the signal for fifteen armed men to rush into the store. They seized me and the two Chinese assistants, handcuffed the three of us together and marched us through the streets to the Chinese City Police Bureau."

Dr. John MacWillie, a British doctor resident in Hankow, in charge of the Associated Drug store in the absence of the principal proprietor, emphatically states that it was impossible for any member of the staff to sell any narcotics without his knowledge, since all stocks were kept by him under lock, and any orders had to pass through him. He further states that the drug store's stocks were ordered according to certificates issued by the British and American Consulates and a *huchao* (permit) from the Chinese Customs.

Neither the American Consul at Hanknw nor the Office of the Bureau of Foreign Affairs had been notified by the Safety Bureau of the raid. The American Consul has protested to the Foreign Office against the irregular procedure of raiding an American firm with armed men, without sending any notification of the raid. The Bureau of Foreign Affairs at six o'clock in the evening asked the American Consulate to send a representative to accompany Chinese officials in a search of the drug company's premises, with Dr. MacWillie present. The search was accordingly made and the Chinese officials appeared to be satisfied that the books and narcotics were in order and that no excessive amounts had been sold.

The American Consul at Hankow has asked the Chinese officials to produce proofs that the drug company's business was illegal, as every drug company had to stock narcotics, also asking the Chinese officials to explain the grounds on which they raided American premises.

Singapore Objects to Expense of Singapore Base Upkeep

(*Manchester Guardian, September 12*)

Singapore—A special meeting of the Singapore Chamber of Commerce has been held to consider the situation arising out of the British Government's reply to the colony's protest against the inclusion in the cost of the garrison recoverable from local funds of items connected with the naval base (on the ground that the base is required not for the defence of the colony but as part of a scheme of Empire defence),

Suggested Fair Sum

The British Government, in its reply, proposed that all military expenditure on the initial formation of the base should be borne by the army vote, but that the colony should pay the full cost of the garrison. The unofficial members of the Legislative Council have already pronounced their view that the colony should pay only the expenses of a garrison adequate for local defence, and not the cost of the naval base, suggesting $5,000,000 as a fair sum to take as the cost of local defence for the next few years.

To-day's Chamber of Commerce meeting passed a resolution supporting the unofficial members' opinion that the only sum for which the colony should be responsible to the home Government ought to be the cost of a garrison sufficient solely for local defence. It approves the unofficial members' suggestion for a fixed annual contribution, which it would set down at $3,600,000 per annum for the five years 1929-33 inclusive.

Women's nternational League for Peace and Freedom

From Madame Camille Drevet who visited China a year ago as a delegate from the French Section of the Women's International League for Peace and Freedom comes word of the action taken by the French Section in behalf of China, which has addressed the following communication to M. Poincare and M. Briand of the French government.

"The French Section of the Women's International League for Peace and Freedom, having heard the report of Camille Drevet, addresses to the women of China the expression of its fraternal sympathy. It hopes that China, entering into a new phase of her history and realizing her unity, will see her rights recognized by other powers.

"It urges that the French Government work for the abolition of unequal treaties and special privileges and for the establishment of just and normal relations between France and China.

"It congratulates the Chinese women upon their wise activity and follows with the greatest interest the progress they have achieved.

"It sets itself to battle against the traffic in opium and arms and for the regulation of labor.

"It hopes that Chinese women will join their efforts with those of Western women for the bringing together of peoples and for the reorganization of the world on a basis of international justice and peace."

"The French Section of the Women's International League for Peace and Freedom having come together in a general meeting, June 30, 1928, and having heard the report of their delegate, Camille Drevet, on her mission to China, urge upon the French Government that, at the moment when China is beginning to realize her unity, she align herself with the other powers to abolish unequal treaties and the regime of special privileges and concessions.

This is done in order to establish between China and the other powers normal and equitable relations, without which China can find neither internal peace nor freedom."

Senator Bingham Suggests a "Rotating" Capital

Hiram Bingham, United States Senator from Connecticut who spent considerable time in China last year investigating conditions, recently wrote an American friend in Shanghai suggesting that the Nationalist Government might follow the precedent of Connecticut in early days when the state legislature met alternately in New Haven and Hartford, the reason for this being due to difficulty in communication and transportation. Senator Bingham suggested that the Chinese National Legislature or organization corresponding to the legislature might meet alternately in Nanking, Canton, Hankow and Peiping, which would give the members the advantage of becoming familar with various parts of the country and their needs. He stated that the chief offices of the Government could be kept in Nanking, but pending the development of better means of communication and transportation and more extensive newspaper circulations, that might help to unify the country for the National Legislative Yuan to hold its meetings in various parts of the country.

Rotary Pushing Organization Throughout Orient

James W. Davidson of Calgary, Alberta, Canada, former vice-president of Rotary International, departed from New York on September 22 on a tour of the Orient, including Cairo, Constantinople, Bombay, Singapore, Hongkong and the Dutch East Indies for the purpose organizing branches of the International Association of Rotary Clubs. Mr. Davidson has been commissioned by the head office in Chicago to organize new clubs and inspect those already in existence. He expects to devote a year to the trip.

Rockefeller Foundation Issues 1927 Report

The Rockefeller Foundation, whose head office is at 61 Broadway, New York, has issued its annual report for 1927. This Foundation's activities cover the whole world, and one of its grandest institutions is in China, namely the Peking Union Medical College. The report states that in spite of political conditions, which somewhat unsettled the community, the total number of patients treated in the College Hosptial was larger in the year 1926-7 than in the previous year.

The Big Swords and the Little Swords Clash

BY J. LOSSING BUCK

SIX villages, near Chinkiang, Kiangsu, with a population of about 1,200 have been entirely burned and about 200 people have been killed as the climax of a growing feud between immigrants from north of the Yangtze River and the natives of the region. The causes for the bloodshed are social and economic and may be thus briefly stated.

The easier conditions for obtaining a living south of the Yangtze River have in part attracted people from north of the river to come south to settle. These people have brought with them their own standards of living, which are more frugal and possibly lower than those of the communities to which they have come. For instance, the northerners' homes are huts with earthern walls and thatched roofs, while the natives use brick walls and tile roof.

The immigrants have been despised by the natives because of their poverty and the two groups have not mixed readily socially or even intermarried freely. But the immigrants work more diligently than the native and some of them have gradually become fairly prosperous so that the attitude of the native has changed from one of contempt to one of jealousy.

With the change of government in 1927 bandit conditions became a serious manace to the countryside and, because the immigrants were practically never affected and because a few cases were found where the immigrants had even harbored bandits, the natives became suspicious and accused the immigrants of being in league with the bandits. This feeling finally resulted in the natives burning many thousand of the immigrant huts in the four hsiens of Tantu, Tanyang, Chuyung and Lishui.

The Origin of the Little Swords

As a measure of self protection, the immigrants then organized Little Sword Societies, and when fairly well organized in February, 1928, they could be seen marching in broad daylight armed with their swords and demonstrating to the natives their strength. The natives in turn also organized into Big Sword Societies. Both societies have the same type of organization, but confined membership to their own class. Ignorant members of each group helped to intensify the feeling between the two groups by boasting the strength of their own organization. In February extension men of the faculty of the College of Agriculture and Forestry, University of Nanking, were instrumental, together with the pastor of the church at Shangtang, in bringing the two leaders of the two organizations together for establishing some kind of an understanding with the hope that future bloodshed might be prevented. Both leaders were very polite when face to face with each other and both emphasized that they should cooperate together since their purpose of organization for self protection was the same and then they should eliminate the bad elements now in both. Partially as a result of this conference a written agreement was made stating that they would avoid conflict. The leader at Shangtang of the Little Swords is a good man, a member of the Church and a leader in the Cooperative Credit Society.

With the passing of time, bad elements gained control of some of the Little Swords societies and played the part of bandits under the guise of taking revenge (bao ts'ou). As a consequence, the natives organized more thoroughly in the spring of 1928 and frequently paraded to show their strength.

Natives Versus Immigrants

Since the number of natives is much greater than that of the immigrants, the latter viewed with alarm the growing number and strength of the Big Swords. The immediate cause of the clash mentioned in the first paragraph, and which occurred on September 10 and 11, 1928, was the organization of Big Sword Societies in Shantung and six other villages nearby in the face of a warning from the Little Swords. This caused the Little Swords to act; several of their societies joined together and were aided by bandits recently defeated by government soldiers in the neighboring hsien of Chuyung hsien. Two thousand people participated in the attack, armed with one machine gun, 100 rifles and 100 pistols, and swords and spears for those without firearms. The Little Swords demanded of various villages firearms, pork, and chicken, prepared food, and money. Six villages refused or could not meet the demands and were burned and many people were killed. At Shantung many people had fled before the place was surrounded. When the demands were presented the pastor of the church acted as mediator and endeavored to get the leaders of the Little Swords to see the folly of demanding something that could not be produced, since people who had fled took their firearms with them and there were not enough people left to prepare the food demanded.

A Christian farmer the bearer of the news could get no help from the newly appointed magistrate to quell the uprising of Tantu because the magistrate was "resting" his first day on duty! The farmer then came to Nanking where he had friends in the University of Nanking thinking they might be able to help him by giving him approach to government authorities. The village to which this farmer belongs was not affected because it did not form a Big Sword Society. It was asked to do so and this farmer, who is the village leader, refused on the ground of not being willing to worship idols and also because of disbelief in the contention that members of the society are immune to bullets. The farmer told the leader of the Big Swords that he would join if after allowing him to shoot at the leader six times bullets failed to harm him. The leader refused! The outcome has been the stationing of some 50 soldiers in the village of the farmer seeking help; but the villagers have to feed the soldiers.

The Two Groups Clash

The significance of this clash between the Big Swords and the Little Swords is this: The original cause is banditry and banditry is the result of inefficient government. The natives burn the huts of immigrants who are suspected of aiding the bandits. Then the immigrants organize into the Little Sword Society for self protection. The natives then also organize into a similar type of society called the Big Swords. They quarrel and finally one attacks the other. At first thought one may imagine that this is only a local feud, but upon a second reflection one realizes that unless checked it will not only cause more bloodshed between the two groups but it may also be manipulated by others with ulterior motives, such, for instance, as Communist leaders.

The condition described is not at all peculiar to Tantu hsien, except as causes for organization of farmers for self-protection many vary with the region. In Liyang and Chuyung hsiens Big Sword Societies are rapidly developing and gaining control, even to the extent of disarming local police. In these districts they are making every effort to obtain firearms with the avowed purpose of killing off government officials when opportunity offers. One of the chief causes here for organization is low crop yields resulting in opposition to increasing taxation which last year is reported to have been about $6.00 per acre and this year at least twenty-five percent higher. Forest investigational work and control of locusts by the Bureau of Entomology have been suspended because of the impossibility of working in those hsiens.

Bandit Conditions in Kiangning

A description of bandit conditions in Kiangning hsien, the district in which Nanking is located, is given by *Chow Ming I* the agricultural newspaper published by the University of Nanking on the date of Sept. 11, 1928. In one section about 20 miles to the south of Nanking along the road for a distance of about eight miles, 8,000 farmers have just recently agreed to support the bandits. In several places the farmers are paying the bandits a regular periodic sum for protection. This method makes it difficult for villages who refuse to do the same, or who have fought with and killed bandits previously.

Two days ago bandits captured two men for ransom only three miles south of Nanking city. For some time bandits have been raiding villages only three miles north of the city of Nanking.

Another serious affair has occurred in Wukiang hsien north of the Yangtze. With the change in government in 1927 Red Spear societies were organized for protection but the ignorant leaders also refuse to pay taxes. Last spring they attacked the market town of Wukiang and killed 20 police and carried away their rifles. On September 3, 1928, Chen Tiao-yuen's army of one tuen of soldiers attacked the Red Spears about 8 li southwest of Wukiang and defeated them with a loss of 200 killed on both sides, and the burning of about fifty homes. On the 5th soldiers went to Wukiang and looted the whole town, not one family escaping. Then as a climax the soldiers demanded from the hsien magistrate at Hochow $9,000 from the town they had just looted. This amount could not be produced because of dry weather and locusts resulting in bad crops. All that could be done was to promise to collect within one week. This was finally raised to prevent the whole town from being burned.

There is no question but that the farmers are justified in organizing for protection against bandits or against exhorbitant taxation. The unfortunate thing is that most of them are ignorant and they have no leaders of intelligence or ability, to say nothing of the cases where the societies are controlled by bad characters.

Feng Solves Bandit Question

Reports indicate that Feng Yu-hsiang has quite successfully solved the bandit question by sending qualified men to help organize the farmers into self protection societies and to give them training in self-defense. The success of this work depends upon the ability, intelligence, and character of

the men sent out for this purpose. It appears to be a feasible way of meeting the present very serious situation which constitutes not only a menace to the countryside but also to the government itself. No constructive work can be done until there is law and order and the first sign of a stable government is the ability of the government to maintain peace and stability within its own borders. Failure to meet this responsibility shortens the life of any government. Sending poorly paid soldiers to subdue the bandits is a risky proposition at best. A Chinese friend stayed over night in a Church building with soldiers who had subsequently arrived for the purpose of fighting the bandits. One of these soldiers was very bitter at the government because it failed to pay them and disbanded them without even enough money to reach home. The only solution of the problem appears to be the establishment of a bureau with the right type of personnel and properly financed, whose function it is to organize farmers into self protection societes according to regulations of the government just as is now being done for rural credit purposes by the Kiangsu Government Rural Bank. Twenty villages to the North of Nanking have been organized of their own initiative but with the knowledge of the government and so far they have had no attack materialize in spite of a letter demanding $1,000 from one of the villages. The twenty villages now have 50 guns. The first thirty guns cost $60 a piece but now arrangements have been made to obtain rifles from the Nanking arsenal at a much cheaper price. Leaders of the Experimental Rural Normal School have instituted this self-protection society with the hope that others like it may be organized.

While such local group self-protection is not the most ideal one in any nation, still in the present circumstances in this country, until the government is able to perform all its functions, it may be that this is the only possible solution to a problem which may assume really alarming proportions.

University of Nanking, Nanking, Oct. 7, 1928.

U. S. Objects to Unequal Naval Treaties

By Charles James Fox

(In the North China Star Tientsin)

The reply of the American Government, sent to the London Foreign Office, on the recently concluded Anglo-French naval agreement, as carried in a *Reuter* dispatch from London, appears to make it quite clear that the Washington Government has not the slightest intention in the world to allow the American navy to be tied up, or in any way hampered, by unequal treaties. The American criticism of the pact, from the American point of view, states quite plainly that the agreement is more unacceptable than were the proposals made some months ago at Geneva, and that the restrictions on naval construction are framed so as to apply almost exclusively to the type of ship that interests the American navy.

What agreements Great Britain and France make is, strictly speaking, their own business, but the chances of America agreeing thereto are about as bright as are the chances of the proverbial snow-ball in the lower regions. We attended almost every session of the Washington Conference on limitation of armaments iu 1921/22, and we thought then, as we think now, that there was far too much humbug and crafty hypocrisy in the whole affair. Much as we are in sympathy with any international agreements that really tend to lessen the possibility of war, we have never had any sympathy whatsoever with the idea of treaty-tied navy. The whole idea is fundamentally wrong, at least from the American point of view.

In all the technical and general economic factors involved in the construction of a navy, America is second to no power in the world. In the technical and other requirements necessary to an efficient navy personnel, America has nothing to fear from any nation. But in the game of diplomacy, whatever American may have been in the past, or whatever they may be in the near future, they are today no match for several of the world's powers. For this reason, it is extremely dangerous to the American nation to permit our relatively high efficiency in naval matters to be discounted by our relative inefficiency in world diplomacy.

An American battleship is no place for an American diplomat. Let the American navy department take care of the American navy without any assistance or interference from the American state department. The American Congress has the last word in deciding if and when the American nation goes to war. To be prepared for war on the sea is the exclusive business of the American navy department, and international treaties should have no place in the specifications for the construction of fighting craft.

The American people have at last discovered that the naval treaties are of the unequal variety, and it is these documents, rather than the ships, which should, and will be, scrapped.

A Chinese Woolworth in the Clock and Watch Business

BY EDGAR SNOW

The "chain store idea", so successfully advanced in America by such men as Messrs. F. W. Woolworth, S. S. Kresge and Clarence Saunders, is now being profitably followed by at least one large Chinese firm—the ubiquitous May War Lee Company, specialists in clocks and watches.

The business has been in China for over 53 years and has grown from an humble beginning in a small shop in Shanghai to an organization which today embraces twenty-one branches. distributed in nine cities, the annual business volume of which is reported to exceed $3,000,000. More than 500 employees are required to conduct the Company's retail stores' business and to operate its three factories.

The May War Lee Company for the past twenty-six years has been managed by Mr. M. D. Madoc Sung, son of the founder, the late Mr. Ding Yuan Sung. Interviewed recently regarding the development of his business Mr. Sung said:

"Our Company began as a single enterprise; the idea of acquiring branches and operating factories came only after the success of the original store proved that there was a larger field for a specialized business such as ours. In the earlier days we dealt in clocks and watches, so great was the demand for this type of merchandise.

Explaining his success Mr. Sung said he always had maintained, and it was the principle which guided his father's earlier endeavor, that "success is assured for any company which consistently gives the people quality products at a fair price, willingly endorses the articles it sells through a liberal guarantee, and further obliges its customers with service long after the original sale.

"The loyalty and cooperation of our staff probably has contributed more to our success than any other single element. We always have attempted to be thoroughly honest with our employees; as a result they generally have been exceptionally faithful and conscientious in performing their work. Our factories are modern, sanitary places in which to earn a livelihood. Everyone receives respect and is treated with consideration. And intelligent work wins recognition through impartial advancements. As evidence of this democratic policy toward employees one need only note that our present assistant manager, Mr. D. S. Chow. has advanced himself to his present position in this firm from a lowly beginning as apprentice."

The outstanding prosperity of the Company is due to the fact that by buying large stocks from manufacturers, and by producing in their own factories in great quantities, lower cost prices are obtained. The saving is passed on to the ultimate buying public, through the Company's numerous branches. In this respect Mr. Sung said: "We pay cash on delivery for all of our goods. Manufacturers all over the world know this. When their representatives come to China they visit us first of all and we are given early choice of the new and complete stocks. We also secure a legitimate discount because of our huge purchases and this saving operates to the benefit of the people, who have come to depend upon us for reliable merchandise at prices lower than average."

It is interesting to note the aggressive, efficient business methods of this concern, as indicative of a new spirit among China merchants. Mr. Sung, who was educated at St. John's University, has modern ideas of merchandising and sales promotion, as is well demonstrated by the profitable results of the salient management of his business.

Ten of the Company's branches operate under the name of May War Lee. The others, which have retained the names of the organizations from which they were acquired, are as follows: Central Times Company, 2; The Pacific Wrist Watch Company, 4; The Wellington Company, 2; The Washington Company, 2; The Hope Brothers Company, 2; and one May Kee Store. The branches are distributed in the following cities: Shanghai, Ningpo, Tientsin, Peking, Hankow, Tsinan-fu, Wuchang and Hangchow. All of the stores carry watches and clocks and though 90% of the Company's business is in these articles, about $300,000 worth of jewelry also was sold last year. In addition to the 7 sales branches in Shanghai, the May War Lee Company operates two factories, one producing and repairing clocks and watches and the other manufacturing optical goods. The jewelry repair shop also is in Shanghai.

All of the stock in the May War Lee Company is owned solely by Mr. Sung and his business is the largest of its kind in the Orient.

Shanghai, October 8, 1928.

The Reorganization of the Kuomintang

BY SAMUEL H. CHANG

WHEN the Revolution triumphed in 1912, the program of the Tung Min Hui was abandoned. Its structure as a political organization was ramshackle and not the least bit of solidarity existed among its members, who were scattered all over the country. Each individual member was free to voice his opinion and give interpretation to the policy of his party according to the trend of the time. Under such circumstances, no united action was possible beyond the overthrowing of the Manchu dynasty, after which each member became an individual political adventurer and sacrificed the Party's principles in quest of personal benefits. Little was heard of the Kuomintang as a compact political body though a large number of its members were constantly involving themselves in various political adventure. In the course of a few years the Kuomintang was reduced to a petty political clique engaged in factional and fratricidal intrigue and treachery. As a political force it had become an insignificant factor.

The early Kuomintang leaders also made the fatal mistake of adopting ordinary parliamentary procedure to obtain a majority in the legislature through popular elections, not realizing that the people were politically immature and could not be expected to respond to the call of the Party. The militarists at the same time looked upon the legislative assembly as a group of quarrelsome politicians who were always ready to answer to their call. The downfall of the early Republican government carried with it the Kuomintang, and its members either withdrew from the arena of Chinese politics or became parasites of the scheming Militarists.

Having failed in organizing itself into a powerful political organ, the Kuomintang next sought to establish alliance with the Militarists and other professedly friendly parties. In this attempt, it was first betrayed by the Kwangsi Clique and later by Chen Chiung-ming through its own blunders. The fundamental mistake of this policy lay in the fact that instead of making use of the Militarists in its political manoeuvers, the party depended upon the wish of the Militarists. The result of such a relationship was most disastrous.

The Need of Foreign Help

After the initial failure of the Tung Min Hui, it became the belief of Dr. Sun and many of his followers that foreign help was of the utmost importance, if not absolutely necessary, to the success of the Revolution. Hence, not only was foreign assistance readily and gladly accepted when available, but it, was also openly solicited.

The source of inspiration of his revolutionary activites being American liberalism, Dr. Sun, as late as 1923, when the general situation was chaotic in the extreme and his personal position in Canton most precarious, told Dr. J. S. Schurman, then American Minister to China, that he would trust and accept American leadership in proposing, to the warring factions, peace throughout the land of China with the object of ending the perennial civil strife and working for the unification of the country. The Powers, however, rendered him nothing more than lip service and indulged in much press sarcasm. While turning a deaf ear to Dr. Sun's genuine pleas for helpful assistance on the ground of strict neutrality, privately they seized at every opportunity to pull the wires behind the theatre of China's civil wars and indulged in bullying the puppet Peking regime.

It had now dawned on the people that the Revolution far from improving the general situation was dragging the country farther down to the depth of misery. The promised great reforms which were to bring relief to the much abused people had come to naught, and the government, from the highest authority down to the lowly clerical staff, remained in corruption. The country became more disunited and the living conditions of the people were becoming worse. The oppression of the selfish Militarists was even more unbearable than that of the Manchus. Internally, there was the imminent danger of a complete collapse of the national organization and, outwardly, the country seemed ready to fall under foreign subjection. Patriotic leaders like Dr. Sun were frantic in their search of a way out of the dilemma. They were convinced of the necessity of a new orientation of policy, but in the face of the overwhelming difficulties at home and the indifference of the Powers, they were at a loss as to what the next move should be.

Then came the Bolshevik Revolution which startled the entire world and thrilled the hearts of all young men. Despite the total collapse and near dismemberment of the Russian Empire as a result of its military defeats, the Bolsheviks rose with an incomprehensible amount of energy and power and wrote down marvellous chapters of national achievement at a furious pace the like of which was never recorded in the annals of human development. The Bolshevik regime stood unconquerable in the face of an avalanche of Allied Forces and was defiant in its attitude towards Old World Autocracy and Imperialism. It caught the imagination of the Kuomintang leaders who were gasping their last breath in their struggle for a foothold in their home base in Kwangtung. The Bolshevik success in Russia shone brightly over the horizon, served as a new guide and opened a new way for the Kuomintang leaders.

A Period of Isolation

Here one must pause to pass a word to those higher critics who are inclined to place the blame for China's troubles on Dr. Sun and his followers in accepting Bolshevik assistance which later led to many unfortunate and regrettable incidents. The situation at this juncture was one in which the Kuomintang leaders found themselves isolated on all sides. The masses of the people, illiterate and exhausted by the strain of civil strife, had become indifferent to the cause which the Kuomintang championed. The Militarists, selfish and absolutely insensible to the sufferings of the people and the humiliation of the country at the hands of foreign aggressors, continued sacrificing public welfare to their personal ends. The upper classes remained in a state of complacent stagnation. Finally, the imperialistic Powers whose policy was to fish in the troubled water of Chinese politics as a repast, were cold and even hostile to the Kuomintang leaders whose success would undermine and eventually terminate their privileged position in China.

Under such circumstances, any sympathy and material assistance such as was offered by Bolshevik Russia could but be regarded as a godsend. Had any of the Powers, to whom Dr. Sun had turned for support, but given him the least bit of encouragement, they too might have made world history of the past decade different from what it has been.

True to the spirit of the Revolution, the initial step in bringing the Kuomintang and Bolshevik Russia together was taken by a young and new Revolutionary party, the Chinese Communist Party, which was well-organized and was actively propagating on behalf of their Russian comrades. Extensive publicity of the complete success of the Bolshevik Revolution was carried on in the press throughout the country with occasional criticisms of the futility of Kuomintang methods and insinuating the advisability and advantage of a Kuomintang-Soviet Cooperation. In one of its articles, the meaning of the Chinese Revolution is explained in the following terms:

> "Success of the Chinese Revolution is an international problem and not a purely Chinese domestic issue. The phenomenon of the collapse of World Capitalism has been manifested in the West by the wide-spread revolutionary movement of the proletariats, and in the East by the Revolutionary movement of the oppressed peoples; and the culminating point of these two movements is the overthrow of World Imperialism. The success of these two movements is World Revolution. In order to make the Chinese Revolution a success and its Revolutionary problems rightly solved, we must make it whirl into the World Revolutionary Movements. Henceforth, Alliance with Russia is the primary problem for solution before further progress of the Chinese Revolution is possible.
>
> "Nevertheless, the leaders of the Chinese Revolution have always entertained many misconceptions. In the first place, they do not realize that the Chinese Revolution is a revolutionary movement against the Settlement Concessions. They maintain that the Revolution of China is a movement for the sole purpose of solving the country's "internal" problems. They have never thought of the necessity of opposing the Imperialism of foreign Powers; they think that in the event of internal situation being settled, the attitude of the Powers will naturally change. They have wrongly regarded their Revolution as a purely domestic undertaking without any bearing upon the international situation. They think that by preventing further foreign intervention, the Revolution will be successfully concluded, and that by declaring "recognition of all treaties" they can stop the activities of the foreign Powers detrimental to the Chinese Revolution. Lastly, they always dream of receiving assistance from the "friendly Powers," that is, the help of the Imperialists. Although in fact it has been proved that such a dream is never profitable, they still retain the notion in their minds."

Dr. Sun's Congratulations

It may be recalled that in 1919 when the Bolshevik regime was successfully established in Moscow, Dr. Sun telegraphed his congratulations. In 1921, in Canton he also received unofficial representatives from the Russian Communist Party and obtained from them details of the organization of the Communist Party, the circumstances and events of the Revolution of 1917, and the existing conditions in Russia. In the

following year Dr. Sun met the Soviet envoy, M. Joffe, in Shanghai with whom he had several interviews and conversations. Subsequently, a joint statement on the possibility of cooperation between the Kuomintang and the Communist Party and the friendship between Chinese Nationalists and Soviet Russia was issued. The statement also made it clear that both Dr. Sun and M. Joffe held the view that the introduction of the system of Communism, as practised in Russia, into China was impracticable. But perhaps the most important result of Joffe's interview with Dr. Sun was the invitation issued to Michael Borodin to come to China as Dr. Sun's advisor.

Following the arrival of Borodin at Canton in the winter of 1923, events developed rapidly. The enthusiasm and untiring efforts of the late Liao Chung-kai in promoting Canton-Soviet cooperation and in introducing many methods of the Bolshevik regime were also partly responsible for the remarkable subsequent changes in South China.

Mr. Liao Chung-kai had met Joffe in Japan in 1918 and the two had seriously discussed the question of Sino-Russian cooperation. Detailed information on the organization of the Red army was also given to the Cantonese leader and as a result General Chiang Kai-shek, then an officer under Dr. Sun, was dispatched to Russia to study the organization and training of the Red army at the Leningrad Military Academy. Liao Chung-kai also learned from Joffe the secret and advantage of relying upon the masses rather than on individuals. After his return to Canton in 1923, he immediately started, with assistance of a notorious Chinese Communist, the organization of Labor and Peasant Protective Corps. Thus, in the memorable year of 1923 were sown the seeds of momentous changes in later day.

When Dr. Sun and his followers returned to power in Canton in 1923, preparations were started for the immediate reorganization of the Party. By order of the Third Internationale at Moscow and with permission from Dr. Sun, members of the Chinese Communist Party registered themselves individually with the Kuomintang. In the winter of 1923, a Provisional Central Executive Committee was appointed to make preliminary preparations for the Convention of the First National Congress of all Kuomintang Delegates at Canton in June, 1924.

Not a Political Reality

It can be seen from the above that up to 1924 the Kuomintang existed only in a historical sense and not as a political reality. Its reorganization in 1924 was an event of the greatest significance both in the development of the Party and the history of the Chinese nation. At the opening General Session of the First National Congress on June 20, 1924, the entire program of the Party, which had been formulated by a handful of prominent Party leaders with the assistance of Soviet advisors, was presented to the delegates and was adopted in its entirety as the platform of the Party in the future. The significance of the Party's action in adopting the new program was pointed out by Dr. Sun himself when, in the course of his inaugural address on that memorable day, he declared, "We were dead yesterday but alive today." Henceforth, the Kuomintang was to rectify its past mistakes and to metamorphose into an efficient and vigorous Revolutionary organ. The effect of Soviet assistance was almost instantaneous and most miraculous, for the Party seemed to have undergone a secret process of rejuvenation and was radiating energy and force in all directions. Borodin, "the Revolutionary tutor," was accorded the honor of sitting on the platform.

The first National Kuomintang Congress in 1924 was epochal in the great Nationalist movement of China. It captured the imagination of the masses and was popularly acclaimed as the hope of China's Salvation. As if by magic its influence swept over the country, carrying the Party on the wing of success from the basin of the Pearl River to the Yangtze Valley. Its every move was watched with keen interest and its every utterance anxiously awaited for. Its manifesto was hailed as one of the greatest of China's Revolutionary documents, and its many resolutions were received by the country with applause. The entire program of the Party, as adopted at the Congress, may be briefly summarized in the following five points:

1. The Kuomintang firmly recognizes that the present state of chaos is the outcome of intrigues between the Militarists and foreign Imperialists. The Imperialists are the instigators and the Militarists, the puppets. In order to exterminate Militarism, it is first necessary to extirpate that which sustains the life of the Militarists, namely, Imperialism. The Congress, therefore, unfurls the banner of Anti-Imperialism, at the same time joining hands with Soviet Russia, leader of the World Revolution, to strive for the realization of the great object.
2. Of the entire oppressed population of China by the combined forces of Militarism and Imperialism, the workers and peasants who constitute by far the largest part of the masses necessarily suffer the most. It is, therefore, necessary to consolidate the forces of the laboring and farming masses in order to enable them first to liberate themslves and then to liberate China.

Proper Training Essential

3. If the masses of the people are to shoulder the task of sweeping away the evils of Imperialism and Militarism, it is absolutely necessary that they be properly trained. The first step, therefore, is to give political training to the army so that the soldiers will be closer to the people and become an army of the people.
4. To train Party members to be leaders of the masses and to undertake the work as stated above, all Revolutionary ranks of the Party, must be carefully filled so as to prevent the counter-Revolutionists, the non-Revolutionists, and the pseudo-Revolutionists from occupying positions in the Party. Let it be resolved by the Conference, therefore, that members of the Chinese Communist Party be admitted into the Kuomintang to assist in the work of the National Revolution.
5. In order to insure freedom for the carrying out of the Party's measures and policies, strict discipline of all Party members is indispensable. For only when all Party members work in unison, can the activity of the entire organization be free and remain unobstructed. Let it be resolved, therefore, that henceforth, any Party member whose activities are found to be detrimental to the interests of the Party as a whole, shall be subject to the strict discipline of the Party.

Another important undertaking of the National Congress was the establishment in April, 1924, of the Whampoa Military Academy. Like many other innovations, this idea was likewise imported from Russia. General Chiang Kai-shek, who had taken a special trip to Russia for the purpose of studying the organization of the Red Army and the functions of the Leningrad Military Academy, was appointed President of the new Party military institute. Hardly had the school thrown open its doors, when young enthusiasts and patriots from all parts of the country filled its halls. The chief aim of the academy being to proselytize its pupils into fervent supporters of the Kuomintang and to instil into them a crusading spirit for the cause of the Party, emphasis was laid upon the teaching of the principles of the Kuomintang and its program of anti-Imperialism and anti-Militarism. An intensive study of radical political thoughts soon transformed the young patriots into Party fanatics with a determination to face martyrdom. The fundamental motto of the school was unity and sacrifice, unequivocal obedience to authority and devotion to the party.

The New Order

So, in the year 1924 the nation witnessed the resuscitation of an old and defunct political party and the ushering in of a new order. The deviation of the Kuomintang from its past course of action at this juncture must be regarded as of the greatest importance to the history of China; for it is by this change alone that we can account for the various momentous subsequent events in the years that followed.

Summarily speaking, therefore, the country, as a whole, made no noticeable progress in the first thirteen years of its Republican regime, though, as regards the Kuomintang as a political party, the student can but be impressed by its rapid development. Organized originally as a Revolutionary party, it was regarded as the only political party of the country which had always championed the rights of the people since the first day of the Republic. Little understood and greatly suspected, it never received the support it deserved and never attained any degree of success. Adverse circumstances coupled with the rise of military despotism drove the Party almost to extinction. Now in 1924, by a change of policy and tactics, the Party was transformed into a new organ, not only in spirit but also in strength. The responsibility for the great task of the Revolution which heretofore had devolved upon the shoulders of its leader, Dr. Sun Yat-sen, was shifted to that of the Party machine with means for the centralization of authority and direction of its many activities.

A second significant fact was the substitution of Soviet Russia for the imaginary "friendly Powers," for assistance in the task of the Revolution. Throughout his life as the Revolutionary leader it was Dr. Sun's conviction that the Revolution, in order to be successful, must receive support from outside. He had boundless faith in the good sense of some of the Powers but as he approached without success one country after another for sympathy and a helping hand for the noble cause of raising China's international position and for the betterment of the living conditions of the Chinese people, he became more and more discouraged until Soviet

Russia stretched her hands willingly and gladly. Such an opportunity was not to be ignored and the two nations, one outlawed and the other abandoned by the family of nations, joined hands and stood together. The Kuomintang banner of Anti-Imperialism was as much a challenge of Soviet Russia to her persecutors as China's rebuke of her self-professed friends.

A Strong Party Army

The third fundamental change of policy made by the Kuomintang in 1924 after thirteen years of aimless drifting was the creation of a strong Party Army as the only means of reckoning with the Militarists and as a sure guarantee for the carrying out of the Party's program. Previous to 1924, the Kuomintang had continually depended upon doubtful military allies in its struggle for the control of national affairs, and almost invariably its plans were frustrated by one or another of these unreliable military supporters at the crucial moment. In a period when the force of arms is still largely depended upon to determine important internal and national issues, the new measure of the Kuomintang in raising a faithful and obedient army of its own was bound to produce the desired results.

Still another important change of policy by the Kuomintang at the same time was the discontinuation of negotiation and alliance with other contending parties and the inauguration of a social movement on the part of the masses in support of the Party. This measure has been conveniently called the Labor-Peasant Policy of the Kuomintang. The Russian Revolution had taught the Kuomintang leaders how the masses, especially the laborers and peasants, could be utilized to good political advantage, and since one of the principles of the Party was the raising of the living standards of the workers and farmers it was only fitting and proper that the Party should take an active interest in the activities of labor organizations and assist the peasants in organizing themselves. In the past the Party had never received popular support, but now with its program and principles well known to the masses whose interests were closely bound up with the success of the Party, popular support of its cause was assured.

Lastly, but not the least significant, the admission of Communists into the Kuomintang gave new blood to the otherwise decrepit Party and transformed it into a strong and vigorous organ. The Communists also brought discipline and organization into the Kuomintang. There can be no question, however, that the Kuomintang and the Chinese Communist Party were built on totally different foundations and had distinctly different historical backgrounds. But the mutual attraction at this period was great inasmuch as both parties were denied any part in the deliberation of the country's affairs. It must also be mentioned that leaders of the Kuomintang were not unaware of the conflict of policies between the Chinese Communist Party and the Kuomintang; but it was expedient to employ the Communist Party as an offensive weapon.

Following the Reorganization, Dr. Sun propounded, in a series of lectures, his new political creed for China, known as the San Min Chu I—popularly translated, for lack of a more suitable term, as the Three People's Principles, before the delegates of the National congress at the assembly hall of the University of Kwangtung. It was a new message for the country's salvation and the Kuomintang delegates were to carry it back to various parts of the country which they represented.

Thus was completed the simple but thorough transformation of China's only hopeful political party. Subjectively, the Reorganization was to bring solidarity to the rank and file of all Party members and to make them accept the principles of Dr. Sun as the new gospel for the country's salvation. Objectively, the Kuomintang was to reassert its leadership in guiding the nation through the period of overwhelming difficulties. The Kuomintang was to lead the people in their gigantic struggle first to better their own conditions and then to raise their country to a position of equality with the rest of the world.

Indian Assembly Withdraws Press Passes

Mr. Patel, the President of the Indian National Assembly in session at Simla, announced on September 26 that the press passes of two leading British newspapers, the *Times of India* and the *Daily Telegraph* had been cancelled, "owing to aspersions cast by them upon the President's impartiality in ruling on questions connected with a debate on the Public Safety Law." Mr. Patel announced that the passes would not be restored to the newspapers until they had tendered an unqualified apology. The foregoing report was circulated by *Reuters* on September 27.

The Cement Trade in China

BY J. A. J.

"Green Island Cement," manufactured in Hongkong and Macao by a British company of that name, continues to be the most popular for building purposes in Hongkong and Macao and more than holds its own in Kwangtung and Kwangsi, despite the strenuous efforts of Chinese mills and importers of European and Japanese cement to set up a formidable competition, but exports from Hongkong and Macao to the rest of China have declined remarkably in recent years. Thus, although in 1924, Hongkong exported as much as 799,370 piculs valued at Hk. Tls. 959,616, in 1925 only 591,938 piculs, valued at Hk. Tls. 692,553 were exported. In 1926, the volume of exports dwindled down to 231,115 piculs, valued at Hk. Tls. 226,026 whereas last year it had fallen to 208,000 piculs valued at Hk. Tls. 214,000. Exports from Macao fell from 191,772 piculs, valued at Hk. Tls. 236,279 in 1924 to 17,300 piculs, valued at Hk. Tls. 19,000 last year.

On the other hand, local consumption at Hongkong and Macao has increased from year to year, owing to the ever-increasing building operations in the British and Portuguese colonies. In Macao, the consumption of cement has been appreciably augmented by harbour works. In Hongkong, preference is given at all times to the local product but cement from Indo-China is now an important factor in the South China market on account of its excellent qualities for foundation work. The importation of Indo-China cement has increased from 163,766 piculs, valued at Hk. Tls. 157,751 in 1924 to 463,118 piculs, valued at Hk. Tls. 423,700 in 1927. Although, as will be seen later on, Belgium is an important exporter of cement to all parts of the world, yet in China Belgian cement does not occupy any position of importance. Imports from Japan, on the other hand, have risen from small beginnings to a colossal figure and, in spite of the boycott, the demand for Japanese cement in China shows no signs of abatement. In 1927, Japan exported to China, 1,603,800 piculs, valued at Hk. Tls. 1,640,600 although before the Great War there was but little demand in China for Japanese cement. American exports to China have dwindled down from 36,654 piculs, valued at Hk. Tls. 89,334 in 1924 to 5,800 piculs, valued at Hk. Tls. 20,000 in 1927. During the first half of 1928, the importation of cement from the United States has been infinitesimal. German cement is not yet an important factor in China but bids fair to be on account of its cheapness in price. In 1924, only 165 piculs of German cement entered China, valued at Hk. Tls. 309, but in 1926 the figures increased to 6,035 piculs and Tls. 6,047. Certified figures are not yet available for 1927 and the first half of 1928 but it is generally believed in the trade that, if anything, the imports from Germany have increased to some extent.

Re-Exported from Russia

In the list of countries supplying cement to the Chinese market, with corresponding quantities and values, mention is made of "Russian Pacific Ports." The fact of the matter is that the cement which entered China during 1925 and part of 1926,-when Borodin was in power,-*via* Soviet channels was never really manufactured in Russia but consisted of re-exported goods. The Soviet Government has the habit of re-exporting goods, purchased abroad, to China, palming them off to the Chinese, albeit at a loss, as being of Russian manufacture, for propaganda purposes. An excellent illustration of Soviet propaganda methods in business was the sending of thousands of cases of kerosene into Kwangtung *via* Canton and Swatow under the description of "Russian kerosene" when as a matter of fact the kerosene originated from California, having been taken to Vladivostok by American steamers and then re-exported to South China in Soviet bottoms. Fishing nets made in Japan and purchased by Soviet commercial departments were also re-sold to the Chinese as Russian goods. So much for the Russian cement figuring in the statistics given below. As authentic figures for 1927 are not available in respect of imports of cement from certain countries, these statistics are based on 1926 figures:

Hongkong	231,115	piculs,	Hk.	Tls.	226,026
Macao	28,260	,,	,,	,,	28,260
French Indo-China	364,471	,,	,,	,,	349,420
Siam	4,497	,,	,,	,,	5,172
Straits	3,270	,,	,,	,,	3,281
British India	64	,,	,,	,,	543
Great Britain	3,375	,,	,,	,,	7,081
Sweden	1,405	,,	,,	,,	1,488
Denmark	18	,,	,,	,,	25
Germany	6,035	,,	,,	,,	6,047
Belgium	20	,,	,,	,,	24
France	2,079	,,	,,	,,	3,509

Russian Pacific Ports	5,074	„	„	„ 6,792
Korea	162,914	„	„	„ 166,509
Japan	1,597,690	„	„	„1,610,697
Philippine Islands	1,601	„	„	„ 1,836
United States (including Hawaii)	5,755	„	„	„ 20,191

Japan the Principal Supplier

It will thus be seen that Japan and Korea supply by far the largest quantity of cement consumed by the Chinese market, in fact roughly three times the quantity supplied by the rest of the world! When one takes into consideration the fact that Japan's status as an industrial country is of comparatively recent growth, her great cement trade with China is but another example of the business acumen of the Japanese. The cement production in Japan for 1927 totalled 21,052,000 barrels, a gain of 2,443,000 barrels over 1926. The average ratio of profit of the 16 companies belonging to the Japan Cement Association during 1927 was 10.6 per cent. The first cement was imported into Japan in 1871 and sold at Yen 28 a barrel. A few years later, the Japanese Government inquired into the possibility of making cement in the country and in due course a small mill was established, with a capacity of but 600 barrels a month. Exports of cement from Japan never amounted to anything until some time after the commencement of the great war. In addition to China, the Japanese cement mills have developed a market for their product in the Dutch East Indies,

The principal consuming centers in China of foreign cement are Canton (with an annual consumption of 687,294 piculs, valued at Hk. Tls. 655,711), Shanghai (548,402 piculs, Tls. 506,078), Dairen (452 396 piculs, Tls. 468,936), Tientsin (233,327 piculs, Tls. 230,629), Lappa (126,362 piculs, Tls. 126,-362), Antung (118,052 piculs, Tls. 126,100), Swatow (100,825 piculs, Tls. 111,348), Newchwang (85,564 piculs, Tls. 77,442) and Amoy (74,368 piculs, Tls. 78,387).

The world production of Portland cement during 1927 was estimated at 396,541,730 barrels (one barrel equals 376 lbs). In 1913, the year before the war, the total production was 230,889,-701 barrels. The United States accounted for 81,109,000 barrels or nearly 49 per cent. of the 165,652,000 barrel increase. With the exception of Switzerland and Russia, every country that was a producer in 1913 had a larger output in 1927, German cement works producing for the first time a quantity equal to their production before the great war.

Many Countries Make Cement

Portland cement is now manufactured by 49 countries and it appears that capital is always available for the erection of new plants in any section of the world where a sufficient demand is deemed to exist. However, several countries which now produce cement in comparatively large quantities are still importing nearly as much as they did before plants were installed within their borders. The reasons are many. Among the most notworthy are: (1) the world demand for Portland cement is steadily increasing, (2) foreign cement is still demanded in many of the home markets of the newly erected mills in Latin America and the Far East because of its better quality, (3) lower production costs in certain European countries, combined with the ability to ship their cement at very low rates of freight, enable them to penetrate outlets thousands of miles away and to undersell the local product. There are other factors which deserve consideration also. The Netherlands, for example, although possessing an abundance of raw material satisfactory for the manufacture of Portland cement, has nevertheless never produced more than negligible quantities because of Belgian and German competition. An agreement has now been reached, however, between Belgian and German manufacturers in regard to supplies for the Netherlands. South America and Cuba used to be wholly dependent upon imported cement but there is a general tendency now toward self-sufficiency. The United States during 1927 produced 213,000,000 barrels and shipped 171,865,000, but nevertheless imported 2,050,000 barrels.

Whether the international trade in Portland cement will continue to increase notwithstanding the tendency toward self-sufficiency remains a mooted question. It is certain that the world consumption will keep on increasing from year to year and that countries like Belgium with large modern cement plants in close proximity to excellent raw materials and fuel, with inland transportation costs to seaboard averaging but a few cents a metric ton and with exceedingly low production costs, enjoy advantages which will continue to permit them to compete with local manufacturers abroad.

Reconstruction Work in China

The future of the cement business in China depend largely upon the magnitude of reconstruction work. Already, street-widening schemes and town-rebuilding and highway-construction plans have been started upon by local authorities everywhere. In Swatow and Canton, reconstruction work has been going on, on a large scale, during the past three years, in spite of the crucial state of the provincial finances. A spirit of progress is in the air throughout the country, all the bickerings of the militarists and politicians notwithstanding. Moreover, the railroads are potential consumers also, and it is merely a question of time for them to embark upon reconstruction programmes. There are a mumber of Chinese cement mills catering to the needs of the domestic market but their combined output is not sufficient enough to fill requirements.

Hongkong, September 25, 1928.

China in 1928: A British View

(Reprinted From the Round Table (London) for September)

THE year 1928 sees the end of the first stage of the Chinese Revolution. In the seventeen years that lie between the fall of the Manchus and the Nationalist entry into Peking, China has been engaged in liquidating the Imperial estate; and only now can it be said that the Nationalist movement has come into its own. The period of militarism, which only the optimist will declare now closed, was a necessary part of the establishment of the Republic. The war lords were the legacy, in part of the Manchu regime, and in part of Yuan Shi-kai's abortive Caesarism; and until they were removed the Republicans could not even begin to make the Republic. When Chang Tso-lin left Peking the last of the authentic tuchuns disappeared, and the remaining figures in north China—Chang Tsung-chang, Chu Yu-pu, Sun Chuang-fang—were but isolated units soon to be submerged in the tide that had swept him away.

There are, indeed, militarists in the centre and south, but they cannot be regarded as authentic: for they are encompassed by a movement which derives its force from a political motive, and their power to survive depends less on their armies than on their relations with the political world around them. To this generalisation one important *caveat* must be added. Of the three major figures on the present stage, only one—Chiang Kai-shek—is the direct offspring of the movement, being the sole military leader who derives his power from the Kuomintang, which is the expression of nationalism as a political force, and not from the control of a province or the possession of a personal army. The other two—Feng Yu-hsiang and Yen Hsi-shan—are men of the north who, but for the growing power of the political (*i. e.*, civil) factor in the Revolution, might have still been reckoned among the authentic war-lords. Feng, to be sure, still plays the part of Dr. Jekyll and Mr. Hyde in the drama of Chinese nationalism; but it must be said that the militarist Mr. Hyde in him is losing ground every day; while Yen on the other hand, remains what he ever was, a moderating and stabilising factor in north China. Neither is a free and irresponsible agent, and both recognise not only the invisible power of nationalism as a movement, but also the authority of the Political Council in Nanking which is its visible embodiment. So much is this the case that Yen Hsi-shan in Taiyaunfu (Shansi), and Feng Yu-hsiang in Kaifeng (Honan) have consented to the creation of of branch political councils in those cities which are the subordinate organs of the supreme Council in Nanking. To complete the picture of these councils, which are in fact the forerunners of a new Chinese federalism, we may note that identical branch councils have been set up in Canton (for Kwangtung and the south) and in Hankow (for Hupeh and central China). These are elements of cohesion and the visible proof of a desire to be coherent.

Nor are other proofs wanting. There is widespread evidence of a longing that war should end and of the desire to exploit the opportunities of peace. Every manifesto speaks of the approaching end of militarism in accents of relief and hope; and even the military men promulgate plans of disbandment and reconstruction. The unification of China actually means to thousands of aspiring Chinese a great test and a great opportunity. It is the purpose of this article to endeavor to estimate the prospect which they have of realising even the most modest of their hopes.

I. The Military Chiefs

In the attempt to relate the story of this summer's events, it is not easy to find a starting point which is not purely arbitrary. There is a certain continuity in the history of the past three years which grows more significant as the lesser incidents fall into the background and the greater emerge into something like the true perspective of history; and to preserve alike the continuity and the perspective may be impossible if we lay too great an emphasis on any one occurrence. The hundred days that lie between Easter and midsummer, none the less, form an almost self-contained period, for it was just before Easter that the northern expedition began in earnest and by midsummer it had achieved its purpose. Among the crowded events that fill this time two are important above all others: the taking of Tsinanfu by Feng

Yu-hsiang on Tuesday, April 24, and the evacuation manifesto issued by Chang Tso-lin in Peking on June 2. The first made the second inevitable; and the only uncertain factor was that of time. If the clash with the Japanese early in May had produced more serious consequences, and if subsequently Marshal Chang had chosen to make a determined stand in defence of Peking, the final result might have been postponed, but it would not have been avoided. Chang Tso-lin fell because the ground beneath him was rotten, because he represented no cause but himself, and because the oncoming force could not be defeated by any weapon he possessed. He went out with dignity and applause and leaves—in the foreign mind at all events—the memory of a man of rough ways and strong character, battling with a situation for which a personalty much greater than his was necessary. His last words in Peking were noble and direct, and it must be confessed that his manner of leaving the capital was perhaps the best thing in his stormy career. Be it said here that the bomb outrage which ended his life was a piece of tragic irrelevance in the whole drama, and of its effects something is said below. The contrast between the exit of the older and the entry of the new was marked. An observer thus describes the scene when Shang Chen, in command of the advance guard of Yen Hsi-shan's army entered Peking.

"The Revolution entered Peking through the Changyi and Yungting gates as the old order went out by the Chaoyangmen, and the manner of their coming and going constitutes one of those ironies of history, which make the march of men and nations through time more fascinating by far than the most fantastic works of fiction. The new forces stirred the dust of the streets where but lately (as time counts in China) the symbolical yellow sand had been strewn. The puppets and Destiny shambled along wearily, dusty, dishevelled, undisciplined—mere striplings and aged men, some in uniform, some without, some armed, some unarmed, bearing a device strange in the city of dynasties, the white sun on the blue ground, almost as bedraggled as the men who bore it. There was no throbbing of drums, no playing of a triumphal march."

There was something symbolical in this absence of blatant fanfare over a city that was neither defended nor captured; and it was therefore not really extraordinary that the fall of Peking made so little stir. It was, in a sense, discounted beforehand, and it came as the result of no smashing victory. It ought to have been a historic moment, but the political uncertainty that hung over the future robbed it of glamor, and the chief thought of the hour was that the triumph of the Revolution brought with it problems greater than any that the Nationalists have hitherto faced. And no wonder! The white sun hoisted in Peking on June 8, in Tientsin on June 12 was, and is still, an emblem without a history, a flag whose colors have but few memories and little heroism to hallow them. And all's yet to do.

Now, since the northern expedition was launched in the early spring there has been a distinct change in the relative positions of its chief leaders: Chiang Kai-shek, Feng Yu-hsiang and Yen Hsi-shan, with Pei Chung-hsi (of Hankow) and Li Chai-sum (of Canton) as quiescent but watchful allies. The expediton itself was vital to Chiang Kai-shek, for without it he had neither function nor prospects; and its success ought to have made him the supreme figure. But fate and Feng ordained otherwise. Feng moved quicker than Chiang, and the superior mobility of his Kansu Mahomedan cavalry enabled him to reach and capture Tsinanfu (April 24) before the main body of the Nationalist armies could arrive. Feng was thus in Tsinan at least seven days before Chiang's advance guard; and this success, combined with his growing influence in Nanking political circles, set Feng's star in the ascendant. Thus the prospect was that, instead of leading a victorious army into Peking, Chiang Kai-shek would be on Feng's rear and liable to be forced out of the picture unless Feng would recognise Chiang's superior position as Commander-in-Chief of all Nationalist armies including his own. The situation created deep depression among the Nationalists in Shanghai and Nanking where the rising power of the erstwhile Christian General was viewed with alarm. The clash with the Japanese army in Tsinanfu made matters worse, and Chiang Kai-shek withdrew to Hsuchow, and eventually to Shanghai, where he announced his resignation. All through June he remained in a state of suspended animation, but whether he was sulking or merely awaiting the tactical moment no one could say. He has done everything to forfeit the leadership that once was his, but still retains a very large following despite his pusillanimous conduct in May. No one who knows the utter inconsequence of Chinese affairs will attempt to predict where he will be when this article appears; but in any other land he would be dead and damned. At the moment of writing he is making his entry in subdued triumph into Peking, nearly a month late; and still acts and talks as Commander-in-Chief.

Meanwhile Yen Hsi-shan was instructed to push on to Peking in order to forestall Feng. Yen is regarded as the more reliable of the two, and has a good record in Shansi. He occupied Peking early in June, and was welcomed with open arms. Throughout that month, in the critical period of the change of regime, he kept order and proved that life and property were as safe under him as under the Manchurian marshal. But he is a sick man, and it is doubtful whether he can play the moderating part which his talents and his career alike would lead us to expect from him. Both Yen and Feng, as we have seen, accept the nominal supremacy of the Political Council in Nanking, and there is little doubt that Yen will co-operate in the further establishment of the civil power if his health allows him to take an active share in events. But Feng holds the key: the man of the moment, with a chequered past and an enigmatic future. The son of a mason in Honan, he had no education, became a soldier at sixteen, served always in the north, seized every opportunity that came his way, until he has made himself the arbiter of the Revolution north of the Yangtse. What he knows he has taught himself, and what he thinks few men know. He is not to be explained merely as the villain of the piece, nor as the altruist of missionary legend. His many "treacheries" have earned him the name of the "triple traitor," but names in politics are worthless labels; and though there is no smoke without a fire, Feng has stalwart friends among those whose judgment is good, and they can point to his undoubted qualities of leadership, discipline and straight living. It is not really material to the issue to decide whether he is a Christian or not, for Christianity in his case would have to be reckoned in terms, not of ethical principle, but of his natural character, which is that of a peasant of limited outlook, shrewd, hardy, suspicious, and unable to judge the larger consequences of his acts. He seems to be both obstinate and amenable to the influence of men of greater experience—a not uncommon contradiction—and his actions, during the chaotic interlude between militarism and reconstruction, will be guided, if not decided, by the company he keeps. Russian influence is still strong in his entourage, but other influences are at work about him; and it is not too much to say that the most significant struggle now going on is, not the civil war, but the fight between Red and anti-Red over the mind of Feng. As this article is not a chapter in prophecy, no forecast is made of his next move.

Besides him, there is the group known as the Kwangsi generals, who may be expected to play a part in the making of history this summer. They are affiliated to Nanking, but distrustful of Chiang Kai-shek, and they, in their turn, will make a bid to control the government if events favor them.

The next step is a conference of military leaders, which will be held early in July. The generals will meet to discuss the results of their success, to make plans for demobilisation (if they can agree to reduce their troops), and to advise the Nanking authorities on various urgent questions. That is, so to speak, the agenda; but the real business will be to allot the prizes of war to the winners, and in the process the rival chiefs may fall out among themselves. It is possible that they will agree to transform themselves into civil governors and accept a federal arrangement which will provide a working basis of co-operation between Nanking and the provinces. That is certainly the intention of Nanking. It is, indeed, the condition in which Nanking can continue to exist; and if it is carried out China will at last be free from civil war on a national scale. Local feuds will continue, as in Szechuan: the Communists will hatch plots: a banditry will still ravage wide areas: the railways will still function lamely, if at all; and in fact, the revolutionary leopard will not change his spots in a night. But the era of civil government will have dawned, and the widespread desire for peace and reconstruction will begin to be satisfied.

II. A Geographical Survey of the Situation

The Nationalist flag now flies over eighteen provinces within the Great Wall, and it looks as if at no great distance of time it will be hoisted also in the three eastern provinces outside the Wall, for Manchuria is growing more Nationalist every day. The whole area, within and without, can be divided into four regions; and some account of these will help to reveal certain important factors in the problem which now confronts the Revolution. These four regions are the South, the Centre, the North and Manchuria.

The South, after five years of war and rapine, enjoys a respite. The boiling pot of agitation is simmering down to normal; and, though the pot is still too hot to touch in some places, there is comparative peace. Propaganda and the armies have moved to the North; the severe blood-letting of 1926–1927 has probably passed its climax; and the constructive party is at work. In Kwangtung, Li Chai-sum is in power again, though some parts of the province are still in the grip of the Communists, and his authority is limited to the area round Canton. Both Kwangtung and Kwangsi pray to be left alone to recover. They are building roads, turning to education, planning railways and wireless; and if demobilisaion can be carried out so as to prevent the whole region being over-run by armed bands,

he South may claim to be in sight of the end of militarism. But there cannot be an established peace until the Communist cells in Swatow and Hailung and the nest of pirates at Bias Bay have been smoked out, and these operations will entail the maintenance of considerable armed forces for some time to come.

The Centre, *i.e.*, the Yangtse basin, is struggling out of the grip of militarism, and shows signs of a desire to follow the lead of the South in reconstruction. Nanking has promulgated programs of reform; an educational conference representing seven provinces recently sketched ambitious plans of advance; there is much talk of the problems which the People's National Conference must solve; and so on. But all plans await the final political result of the northern expedition, and the Nanking Government itself does not know what the morrow will bring forth. The Kuomintang has lost much of its energy and fears Communist penetration so much that it has closed its lists to new members. Personal intrigue is rampant, and the all-pervading air of uncertainty prevents constructive minds from setting to work. None the less, some real work is being done, and no one can go about in Shanghai and Nanking without realising that the Chinese believe, and try to act on the belief, that a new era has dawned. The whole atmosphere has greatly improved, and there is a real possibility of co-operation between Chinese and foreigners. The Nanking Government is still the most considerable power in China, and given freedom from disturbance, it may make good its claim to be the national as well as the Nationalist authority; but, after weighing all factors, the conclusion of the matter is that middle China is extremely unstable, and that the centre of gravity may shift to the left before the summer is out.

The North may almost be included in the same description now. The process of liquidating militarism has still far to go before it is complete, and Nanking's claim to control Chihli and Shantung has yet to be made good. In a sense, the North is today where the South was two years ago, but with a difference. Russian influence is in abeyance, though only waiting its chance somewhere in the background; the Japanese control of the Tsingtao-Tsinanfu railway places an effective check on disturbance in Shantung; and, on both grounds therefore, it is improbable that we shall see a repetition of the events of Changsha, Hankow or Nanking on anything like the scale of 1926. Only an outbreak of rampant Communism could make that history repeat itself; and Communism, though powerful in places, is at a heavy discount. Nationalism, as a sentiment, is as prevalent, though not as emotional, throughout the North as in any other part of China, and therefore the Nationalists have nothing but their own difficulties to overcome in the process of unifying China. What those difficulties are the whole world knows, and they are great enough without the creation of new ones. But there is a blatant wing of the movement which demands an immediate advance on Manchuria. If they have their way and Nationalist armies attempt to cross the Great Wall, the Revolution may well meet its Waterloo at Shanhaikuan. Fortunately there are enough people in Nanking who realise that the Nationalist future of Manchuria can be settled by negotiation with the Fengtien party, who have already shown signs of a readiness to hoist the white sun flag for a consideration. The danger of an armed attack on Manchuria will probably not materialise; but even without it the Manchurian problem remains the crux of China's foreign relations.

There were signs a year ago in Tokyo of the development of a new "forward" policy in Manchuria. When Mr. Yamamoto was appointed President of the South Manchuria Railway, his arrival in Dairen was heralded by a wild flourish of journalistic trumpets. Press comment, both friendly and hostile, was couched in such terms that even the soberest observers could not fail to assume that something was brewing. The excitement passed away and left the situation unchanged. During May, June and July of this year the same anticipations were provoked by the despatch of a Japanese division to Shantung, and even more by the ominous terms of the Japanese warning to China when Chang Tso-lin left Peking; but, once again, there was more smoke than fire, and even the crisis provoked by the bombing of Marshal Chang's train at Mukden passed quietly away. The truth is that the uncertainty which hangs over Japanese domestic politics also influences Japanese policy in China; and the Tanaka Government is perhaps unable to do what the Shidehara Government was unwilling to do, namely, to provoke further Chinese hostility with all the international complications which might follow. Indeed, it looks at the moment as if, so far from taking strong action, *e.g.*, by proclaiming a protectorate in Manchuria, Japan would be ready to come to terms with the Nationalists even over the three eastern provinces. If the Fengtien party compose their differences with the Nationalists and thus avoid an armed conflict, Japan may accept the accomplished fact, strong in the knowledge that she can always protect her own interests in South Manchuria, by force if necessary.

This is not the occasion to discuss further the Manchurian problem on the lines of the article in the March number of *The Round Table;* but enough has been said to show that the events of this year have not diminished its importance. The political position is obscure, and the effect of Chang Tso-lin's death will not be clearly seen until after his funeral which takes place in August, the rites beginning on August 3 and continuing till near the end of the month. Even then the balance of power will be unstable, and the authority of the new government, or governments, will depend as much on events within the Great Wall as on manoeuvers outside it. Rumour assigns to Chang Huang-hsiang, of Heilungkiang, an important role in the near future, and denies it to the young general, Chang Hsueh-liang, the eldest son of Chang Tso-lin, who is none the less in power in Fengtien itself. At the present moment (July 10) the post of generalissimo of the three eastern provinces is vacant, and no strong candidate for it is in the field. The Japanese attitude is watchful, cautious, anxious, uncertain; for those behind cry, "forward" aud those before cry, "back!"

III. Schools of Political Opinion

So far the picture of China in 1928 has been drawn on geographical lines. Another and truer view can be obtained by taking the school of political opinion that have grown up during the last few years and assigning, largely by intuitive guess-work, their respective parts to each.

Nationalist China is still a state of mind, rather than an organised political entity; but organisation grows with the need for it, and each step that carries the movement nearer the threshold of constructive action compels individuals and groups within the movement to take stock of themselves in the light of new needs. Any cast-iron division of these groups as separate units is arbitrary, and therefore in describing them by distinctive titles the following account will necessarily ascribe to them a precision of purpose and an identity which is somewhat fallacious. In one case, the Communist party's, the separate identity is obvious: in the others it is merely assumed for the convenience of this account. Roughly speaking there are four groups in the picture: the *Kuomintang*, the *Communist party*, *Young China* and the *Old Guard*. The last, which we may dispose of first, is not a group at all, but derives its importance from the undeniable authority of a number of individuals whose past careers and personal distinction give them a place in the public regard, though they are entirely out of public life. For the most part they owe their prestige to services performed, both under the Empire and under the Republic, before the Nationalist movement reached its present magnitude; and it is a remarkable fact that, whether they profess nationalism or not (and most of them are political agnostics), they have retained their influence and are a power behind the scenes, especially in times of crisis. As the Republic proceeds from agitation to constructive work, as the tumult and the shouting dies, these men—or some of them—will emerge to serve China once more. On that account they must find a place in the picture now being drawn.

The *Kuomintang*, or People's National party, is the authentic organ of Chinese nationalism. Composed of conservative, radical and even Communist elements, its one source of unity is the fight for the Republic. As the day approaches when the struggle changes its character from civil war to reconstruction, the common enemy, whose presence united all sections, is vanquished, and the conflicting opinions of these sections begin to create fissures in the party. This is a normal experience for any national party on the eve of victory; but in China it is intensified by violent personal feuds and by the influence of Russia. Apart altogether from the professed Communists, there is a strong group within the Kuomintang which still looks to Russia; and thus the Russian factor complicates the issue now developing in the party between conservative and radical. These internal feuds sap its strength; and, for the moment, it is passing through a crisis in its fortunes. It has reached the end of one stage in its usefulness and knows not what awaits it in the next. Its abler members are aware of the danger in which it stands, and are bravely endeavoring to consolidate its forces for a renewed political effort; but they are met on all hands by personal vendettas and by the internal weakness of the party due to the usurpation of power by the military leaders. Thus it happens that, just when the *movement* has shown its greatest power and is on the eve of a new test of its constructive capacity, the *party* is sterile. Individuals within it show powers of initiative and constructive capacity; large groups of the younger men strain at the leash in their desire to see something done; the Political Council in Nanking still remains the central authority, but the Kuomintang, which created it, does not appear to be able to sustain the effort of transforming it into the effective government which the unification of China now requires. One of the worst features of the situation is the committee system which emasculates all responsibility and obstructs the advent of strong personalities who can and will administer their departments without fear or favor. Thus the situation is full of contradictions,

Perfect When Sun-Maid Raisins Are Used

SANDWICH BREAD

½ cup boiling water.
½ cup corn meal.
¾ cup molasses.
2 cups sour milk or buttermilk.
1½ cups flour.
1 teaspoon salt.
1 teaspoon soda.
4 teaspoons baking powder.
½ cup brown sugar.
2 cups graham flour.
½ cup walnut meats cut up.
1 cup puffed raisins.

First pour boiling water over the corn meal and stir well. Then add the molasses and buttermilk. Sift the flour, baking powder and soda salt and add the first mixture. Flour the raisins, and add them with the walnuts and combine the two mixtures. Pour into two greased pans and let rise for 20 minutes in a warm place. Bake one hour.

This makes a delicious sandwich bread for any cheese mixture, such as pimento cheese or cottage cheese well seasoned and a lettuce leaf between the two thin slices of bread.

Sun-Maid Raisin Growers' Association

3 Canton Road, - - - - Shanghai.

undeniably rich in promise, yet overhung with the clouds of foreboding; and it depends on the temperament of the observer whether he sees in it the true dawn or only a lull in the tempest.

Out of this confusion two other forces emerge to challenge the political monopoly of the Kuomintang:—the *Communist party* and a new formation called *Chung Kuo Ching Nien Tang*, literally the China Youth party, or *Young China*.

The *Chinese Communist party*, as its name implies, is the Chinese wing of the Comintern, closely allied to the Russian Communist party, but not always able or willing to abide by the instructions of Moscow. It possesses all the driving force which the Kuomintang lacks, and it will risk everything for "the cause." Well organised, supplied with funds by Russia, it is distributed in "cells" unequally all over south China, strong in Swatow and Shanghai, but lacking a effective organisation in the North. It is preparing to challenge the Kuomintang if it cannot dominate it. It has members of its own in the inner political circles in Nanking and will probably work for the expulsion of the moderate elements in the Political Council in order to set up a Nationalist Government which, while not Communist, will be the creature of communism. The weakness of the Kuomintang makes the Communist party a real danger, for it provides it with a new opportunity; and the only obstacles—fortunately for China they are not small—which confront it are the widespread feeling that China has already paid too heavily for Communist propaganda, and the lassitude of the masses whom the Communist party must arouse if it is to win.

The fourth group is *Young China*. It may be regarded as the natural result of the situation described above. Nationalist in feeling, but not solely or primarily political, it interprets the Revolution as a Chinese Renaissance as well as a change of institutions, and is thus concerned with thought even more than with action. But it is no quietist sect, for it has a militant purpose, with something of the crusading spirit of the Communists, whose organisation it has tried to copy. Composed of young men who find themselves between the devil of communism and the deep sea of official nationalism, it has a clear view of the realities of the situation and may be said to be the first organised expression of that genuine desire for better things which has been the most hopeful feature in the whole Chinese situation this year. Being a critic of the evil ways into which many of the Nationalist leaders have fallen, it has incurred the hostility of the Kuomintang and runs some risk of persecution, and it is not yet powerful enough to take the field openly; for, though it claims 50,000 members and is organised in effective groups here and there, it is still too poor in men, money and experience to play a public part in China. Meanwhile, it has formulated no policy, its object being to take stock of the new situation and to make a policy. If and when the People's Conference is held it may then get its first chance; and, as it looks like being the nursery of the Chinese public men of the future, it will be worth watching.

IV. The External Question

In Chinese politics foreign affairs have played a very important part, and to-day every move in the domestic game is calculated as much for its effect abroad as for its result at home. The capture of Peking was therefore a fact of great international significance, and its consequences in the relations of Nationalist China with the foreign Powers will be at least as important as its significance for the Chinese themselves. We are now face to face with a nominally united China, and, in the manifesto of June 15, the Nanking Government pointed out that unification meant recognition—which in fact it must. Full recognition of the Nationalist Government—*de jure*—is not a problem on which we need waste our thoughts at present; but recognition—*de facto*—may almost be said to be an accomplished fact. The precise moment at which the fact itself is advertised to the world may need careful choice, and it will probably come when the negotiations over the Nanking incident (of March 24, 1927) are completed. It is very regrettable that these negotiations have hung fire for so long, and they must be finished as soon as possible in order to clear the way for more important questions.

Recognition is not an isolated act: it implies active relations for the settlement of outstanding problems. From the point of view of real Chinese needs the maintenance of unity and the gradual increase of stability by constructive measures of a domestic character are far more important than treaty revision. But since some of the prestige and power of the new "united" Government will be derived from its recognition by, and from its treatment *of* and *by*, foreign Powers, it is plain that recognition, given at the earliest possible date, must be followed by action leading to treaty revision. China cannot expect the early and sudden abolition of the unequal treaties: but she is entitled to expect such revision of past treaties as will most surely and swiftly contribute to her domestic restoration. Of all the privileges and rights which the foreign Powers possess under the treaties, those which are fiscal in character are more important from the point of view of Chinese reconstruction than all the rest put together. Therefore, despite the *general* demand for treaty revision which has already found expression in the Nanking manifesto (June 15) and will certainly be loudly proclaimed from time to time, there is no doubt that the *specific* instance in which early revision will be sought is the tariff. And to support this claim there is a strong chain of practical reasoning, as well as the not unimportant fact that the Powers are already committed to Chinese tariff autonomy.

If it be true that the key to treaty revision is domestic reconstruction, it is equally true that, given a gradual return to orderly life, the key to reconstruction is finance, which in its turn depends on revision of the treaty tariff. This sounds like arguing in a circle, and so, in fact, it is. The problem of the first step—where to break the circle—is neither serious nor difficult, and it would be idle logomachy to debate it. The circle is already being broken at several points simultaneously; and our part is to recognise the importance of making as early and as large a contribution to the whole process as we possibly can. The risks involved are serious; but none of them can compare with the danger of long delay. We have been late in action too often in our relations with China, and we must make up for lost time.

Now, delay is a relative term, and no foreign Power can be accused of destructive procrastination if it decides to wait a little while in order to give the new Chinese Government the opportunity to show that it has the power to endure, to act, and (within limits) to govern. But, as we have seen above, the Treaty Powers have a definite part to play in breaking the vicious circle, and their action or inaction will promote or retard the process of stabilising government in China. It follows that we cannot wait till our conditions are completely satisfied, because our action is a necessary factor in assisting China to satisfy them; for

> ....strange to tell among that Earthen lot
> Some can articulate, and some cannot:
> And suddenly one more impatient cries
> Who *is* the Potter, pray, and who the Pot?

It is part of the strange legacy of our past relations with China that, in this moment when order is painfully emerging from chaos, we must take a share in moulding her destiny. China is, in fact, both Potter and Pot. Nowhere is this dual character of the problem more evident than in finance, which is the pivot of reconstruction. Hitherto Chinese revolutionary finance has been sheer spoliation, with here and there an attempt to introduce an element of control. To-day a more definite effort is being made to transform the collection of public money from a system of extortion sanctioned by military power into a more regular plan of authorised taxation. Mr. T. V. Soong's program of financial reform has reached a point where, *given relief from the drain of military expenditure*, he can begin to assert central (*i.e.* civil) control over income and outgoings. In a word, he knows that the evils of Chinese revolutionary finance can only be cured by a budget; but before a budget can be framed, even in the rough and ready way which is all one can expect to-day, the question of certain conflicting claims on revenue must be settled. Unless, for instance, the demands of the provinces are satisfied, the central government will have no security, either political or financial; and, therefore, a federal division of revenues is the first problem in reform. Provided that the line which divides central from provincial taxation is clear, and the collection of the revenues is kept separate, other problems in Chinese federalism can be left for future settlement.

The financial problem may be settled in principle (*i.e.* on paper), but all plans fall sterile to the ground unless a large revenue is available for such purposes as (*a*) demobilisation, (*b*) normal expenditure, (*c*) *likin* compensation to the provinces, (*d*) debt services, both existing debt domestic and foreign, and new loans raised for general reconstruction. The revenue required can be met from existing *sources* provided the Chinese Government is free to use them as necessary; but on the existing *rates* the yield will not be adequate. An increase over present revenue, even on the existing rates, may be anticipated from the moment when civil war on a large scale ceases; but more will be required. And at this point it must be remembered that, if the foreign Powers are in earnest in their desire to see *likin* abolished, they must help China to do so by giving her freedom to raise new revenue from other sources, of which the chief is the tariff. On all grounds therefore tariff reform is an urgent issue; and no obstacle, neither the controversy on the unsecured loans, nor the special interests of any Power or Powers, should be allowed to stand in the way of early action. The Powers have different views on tariff autonomy, dictated by their different interests; and some may insist on a conventional tariff rates agreement before assenting to a general increase in tariff rates; but all the Powers have an interest in seeing the tariff used

as an engine of reconstruction, and to its use for that purpose they should bend their energies cordially and without delay.

Closely bound up with tariff reform is the problem of the administration of Customs which is almost as controversial as tariff autonomy itself. The Nationalists have taken up a somewhat intransigent attitude towards their obligations under the treaties, and particularly on the question of the Inspector-General downwards. Up to the date of the capture of Peking, and indeed for some time afterwards, they seem to have been unable to make up their minds where their true interest lay; and this uncertainty found expression in the ambiguous terms in which they chose to announce their intention not to disregard "any international responsibility in consequence of agreements and understandings properly and legally concluded and on a basis of equality." Politics and sentiment drive them towards action which looks like "repudiation": economics and common sense hold them back; and, in the struggle between these two forces, the diplomatic action of the Powers will be a very important factor. If the diplomatic body in Peking allows itself to be drawn into a quarrel over the administration of the Customs, the Salt Gabelle or the Post Office, before it has set in motion the machinery of a genuine change in tariff policy, there will be deadlock and conflict in which no progress towards true reform can be made. The only way in which the influence of the Treaty Powers can be used to assist China to do the right thing is, instead of impotently denouncing her for doing wrong, to show by definite action very soon that they are ready to give her the necessary and rightful freedom in tariff policy, and thus put themselves in a strong position to recommend, and it necessary to insist upon, the maintenance of certain standards and personnel in Customs administration. It is useless to fulminate against Nanking on the lesser question of method, as long as the Powers continue to hold an admittedly indefensible position on the greater question of policy. The Powers have acknowledged that the tariff provisions of existing treaties are out of date, and thereby have undermined their own moral position. It is high time to seek firmer ground.*

China, July 10, 1928.

*Since the article was written the United States has (July 25) signed a treaty with Nanking conceding China full tariff autonomy as from January 1 next, subject to national and most favored nation treatment to Americans. This is considered tantamount to recognition, We ourselves have also at last got the Nanking episode settled—(*The Times*, August 11) on the same basis as the American settlement, and our policy is now to proceed on the lines laid down in December 1926 and January 1927 (see Sir Austen Chamberlain in the House of Commons, Hansard, p. 1833).

New Railway Line Opened in Manchuria

An important step in the railway development of Manchuria took place during the week with the opening of the new line from Kirin to Tunhua, a distance of 130 miles, which according to the schedule will be covered by passenger trains in eight hours.

The line traverses mountainous country, and its construction has involved several difficult pieces of engineering work, including a bridge across the Sungari River, and several long tunnels, the longest of which is the Laoyehling tunnel which had to be blasted through granite rock. It is over a mile in length and it was completed in March after 19 month's work at a cost of about G$750,000.

The completion of this line marks an important step in railway developments in Manchuria. It forms the longest and most difficult link of the Kirin-Tunhua-Kuainei-Korean Coast Line, which will constitute another artery of Manchurian trade.

The section of line which was opened this week is the outcome of an agreement entered into in 1925 between the then Peking Ministry of Communications and the South Manchuria Railway Co. under which the latter undertook to construct the line and to supply the required capital—figured at G$9,000,000 exclusive of tunnels—in the form of a loan to the Ministry, bearing interest at the rate of 9 per cent. and redeemable at any date within 30 years, the property of the railway being security for the loan.

The new line, when ultimately extended to the seaboard, will open up the whole or part of 13 districts in Kirin province with immense timber resources in virgin forests and capable of being developed into agricultural producers on a vast scale.

SHIRT MAKERS
Joyo Murakami
SHANGHAI
行洋与村
ART & CURIO DEALERS

Not One or Two, But—

All

the smartest colors

in this one make of pen!

Choose your favorite from among the "Fashionable Five" in a Genuine Parker Duofold. The Parker Duofold alone offers: Lacquer-red, Lapis Lazuli Blue, Imperial Mandarin Yellow, Green Jade—all with smart, black tips—and flashing Black and Gold.

But don't choose for color only. Pressureless Touch and extra light-weight, Non-Breakable Barrels (28% lighter than rubber) bring a marvelous writing ease.

Buy the pen that combines 35 years' experience, 47 major improvements, 32 pen patents—all insuring the utmost efficiency in a fountain pen.

To be sure of the genuine, look for "Geo. S. Parker—Duofold" on the barrel.

Sole Wholesale Agents:
DODGE & SEYMOUR (CHINA), LTD.
3 Canton Road, Shanghai

For life-long use

Parker Duofold

The Organic Law of the National Government of the Republic of China

BY J. B. P.

A further step in the direction of establishing the authority of the Central Government was taken on October 3 when the organic law governing the reorganization of the Nationalist Government was promulgated, following its adoption by the Central Political Council and the standing committee of the Kuomintang Party. According to the official report issued by the *Kuo Min* news agency on October 4, the new law "sets all doubts at rest as to the supremacy of the Party—the Kuomintang—which not only creates the Nationalist Government, but also directs and supervises its administration."

This declaration was significant because the Chinese newspapers for a considerable period have contained reports regarding controversies which had developed over this point, in other words the source of authority, some arguing that the organic law of the land should derive its authority from the people, while the party members argued that it should derive its powers from the Party, the Kuomintang. The report by the official news agency explained that the action now taken amounts to the beginning of the "period of tutelage" which was outlined by Dr. Sun Yet-sen in his *San Min Chu-I*, meaning by this that the Kuomintang Party has now definitely taken over the control of affairs pending the final stage when the powers of government will be handed over to the people.

The Preamble to the Law

The preamble to the new constitutional law reads as follows,

"The Kuomintang of China, in pursuance of the Three People's Principles and the Five Power Constitution of the Revolution, hereby establishes the Republic of China.

"The Party, having swept away and removed all obstacles by military force and having passed from the Period of Military Conquest to that of Political Tutelage, now must establish a model government based upon the Five Power Constitution to train the people, so that they may be able to exercise their political powers, and to facilitate the Party in hastening the handing over of such powers to the people.

"Accordingly, the Kuomintang, in fulfilling the duty of direction and supervision of the Nationalist Government devolving upon it by virtue of its history, hereby formulates and promulgates the Law governing the Organization of the Nationalist Government."

The "Five-Power" Constitution

The new law has been popularly called the "Five-Power Constitution" since it covers the new governmental organization which includes five departments or fundamental divisions of authority. In other words, the Chinese have taken the three divisions of anthority as known under the American constitution, Legislative, Executive and Judicial, and have added two others from the ancient Chinese theory of government, the Examination Department and the Censorship Department. The new system of government which is now to be given a trial by the Nationalists, was explained from a legal standpoint in an article by Mr. Liang Yueng-li, which appeared in *The Review* on September 29. Mr. Liang, who is a member of the Department of Justice, explained that the new "Five-Power Constitution" follows closely Dr. Sun Yat-sen's conception of the most efficient and workable system of government for China, a type of government combining the best of the West with the best from the ancient Chinese political system. The two elements which have been retained from the Chinese system are the Examination Department and the Censorship Department, the first being a modern adaptation of the old system of official literary examinations which was abolished when the Republic was established and its recreation into a modernized form of Civil Service. The Board of Censors also was a unique feature of the ancient empire and consisted of an independent board or commission appointed by the Emperor; but independent; which had power of supervising and *censoring* the activities of officials, including the emperor himself. The five department or councils, which will be known in China as *Yuans*, are to have the power of drafting the details of their forms of organization, according to the official report.

The Organic Law of the Government

The new organic law delineating the powers of the Covernment and the five councils or *Yuans*, was also announced through the *Kuo Min* news agency as follows:

(Promulgated at Nanking on October 4, 1928)

The Kuomintang of China, in order to establish the Republic of China on the basis of the Three Principles of the people and the Constitution of Five Powers, which form the underlying principle of the Revolution, having conquered all opposition by military force and having now brought the Revolution from the military stage to the educative stage, deem it necessary to construct a framework for the Constitution of Five Powers with a view to developing the ability of the people to exercise political power, so that constitutional government may soon come into existence and political power be restored to the people; and, further, in virtue of the responsibilities hitherto entrusted to the Party for the guidance and supervision of the Government, do hereby ordain and promulgate the following Organic Law of the National Government:

Chapter I.
THE NATIONAL GOVERNMENT

Article 1. The National Government exercise all the governing powers of the Republic of China.

Article 2. The National Government shall have the supreme command of the land, naval, and air forces.

Article 3. The National Government shall have the power to declare war, to negotiate peace, and to conclude treaties.

Article 4. The National Government shall exercise the power of granting amnesties, pardons, reprieves, and restitution of civic rights.

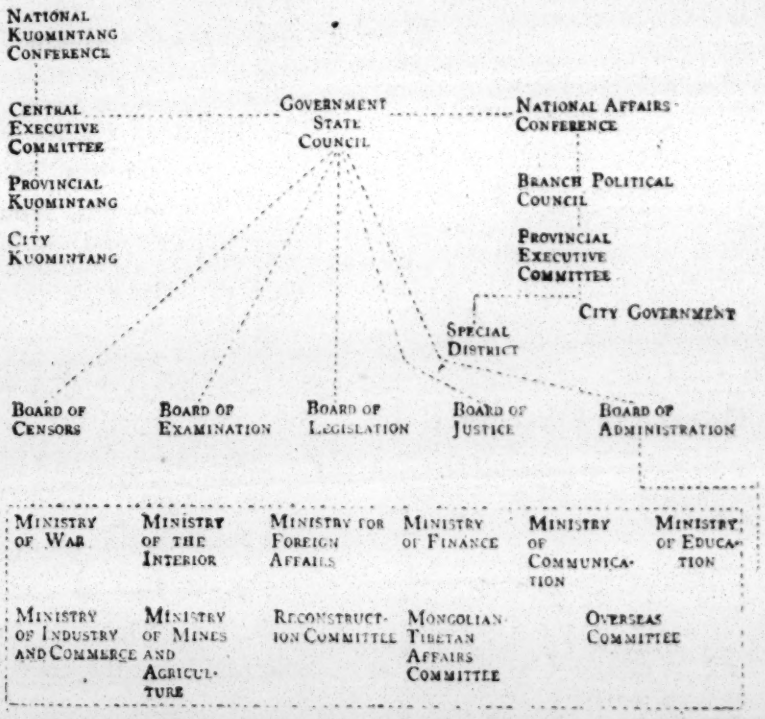
Article 5. The National Government shall be composed of the following five *Yuan*: the Executive *Yuan*, the Legislative *Yuan*, the Judicial *Yuan*, the Examination *Yuan*, and the Control *Yuan*.

Article 6. There shall be a President and from twelve to sixteen State Councillors of the National Government.

Article 7. The Presidents and Vice-Presidents of the Five *Yuan* shall be appointed from among the State Councillors of the National Government.

Article 8. The President of the National Government shall represent the National Government in receiving foreign

THE REORGANIZED NATIONALIST GOVERNMENT



The above chart shows in a graphic manner the structure of the new Government, and the inter-relation of the various Ministries and Boards to each other.

diplomatic representatives and in officiating or participating in State functions.

Article 9. The President of the National Government shall concurrently be the Commander-in-Chief of the land, naval, and air forces of the Republic of China.

Article 10. In case the President of the National Government is unable to discharge his duties from any cause whatsoever, the President of the Executive *Yuan* shall act in his place.

Article 11. The National Government shall conduct national affairs through the State Council. The State Council shall be composed of the State Councillors of the National Government, and the President of the National Government shall be the Chairman of the State Council.

Article 12. All matters which cannot be settled between two or more of the *Yuan* shall be referred to the State Council for decision.

Article 13. All laws promulgated and all mandates issued by virtue of a decision of the State Council shall be signed by the President of the National Government and countersigned by the Presidents of the Five *Yuan*.

Article 14. Each of the Five *Yuan* may, according to law, issue orders.

Chapter II.

THE EXECUTIVE *YUAN*

Article 15. The Executive *Yuan* shall be the highest executive organ of the National Government.

Article 16. The Executive *Yuan* shall have a President and a Vice-President.

In case the President is unable to discharge his duties from any cause whatsoever, the Vice-President shall act in his place.

Article 17. The Executive *Yuan* shall establish Ministries to which shall be entrusted the various executive duties.

The Executive *Yuan* may appoint Commissions to take charge of specified executive matters.

Article 18. The Ministries of the Executive *Yuan* shall each have a Minister, a Political Vice-Minister, and an Administrative Vice-Minister, and the various Commissions shall each have a Chairman and a Vice-Chairman, all of whom shall be appointed or removed by the National Government at the instance of the President of the said *Yuan*.

Article 19. The Ministers, and the Chairmen of the various Commissions, of the Executive *Yuan* may, when necessary, attend the meetings of the State Council and of the Legislative *Yuan*.

Article 20. The Excutive *Yuan* may introduce in the Legislative *Yuan* bills on matters within its own competence.

Article 21. Meetings of the Executive *Yuan* shall be attended by the President, the Vice-President, the Ministers of the various Ministries, and the Chairman of the various Commissions, and presided over by the President of the said *Yuan*.

Article 22. The following matters shall be decided at a meeting of the Executive *Yuan*:

(1) Bills on legislative matters to be introduced in the Legislative *Yuan*.
(2) Budgets to be submitted to the Legislative *Yuan*.
(3) Amnesties to be submitted to the Legislative *Yuan*.
(4) Declaration of war, negotiation for peace, conclusion of treaties, and other important international matters to be submitted to the Legislative *Yuan*.
(5) The appointment or dismissal of administrative officials of or above the rank of Chien-Jen (Third Class)
(6) All matters which cannot be settled between the various Ministries and Commission of the Executive *Yuan*.
(7) All matters which, according to law or in the opinion of the President of the *Yuan*, should be decided at a meeting of the said *Yuan*.

Article 23. The various Ministries and Commissions of the Executive *Yuan* may, according to law, issue orders.

Article 24. The organization of the Executive *Yuan* and of the various Ministries and Commissions shall be determined by law.

Chapter III.

THE LEGISLATIVE *YUAN*

Article 25. The Legislative Yuan shall be the highest legislative organ of the National Government.

The Legislative *Yuan* shall have the power to decide upon the following:— legislation, budgets, amnesties, declaration of war, negotiation for peace, conclusion of treaties, and other important international affairs.

Article 26.— The Legislative *Yuan* shall have a President and a Vice-President.

In case the President is unable to discharge his duties from any cause whatsoever, the Vice-President shall act in his place.

Article 27. The Legislative *Yuan* shall be composed of from forty-nine to ninety-nine members, who shall be appointed by the National Government at the instance of the President of the said *Yuan*.

Article 28. The term of office of the members of the Legislative *Yuan*.

Article 29. The members of the Legislative *Yuan* shall not concurrently be non-political administrative officials of the various organs of the central or local governments.

Article 30. The President of the Legislative *Yuan* shall preside at all meetings of the Legislative *Yuan*.

Article 31. All resolutions passed by the Legislative *Yuan* shall be decided upon and promulgated by the State Council.

Article 32. The organization of the Legislative *Yuan* shall be determined by law.

Chapter IV

THE JUDICIAL *YUAN*

Article 33. The Judicial *Yuan* shall be the highest judicial organ of the National Government and shall take charge of judicial trial, judicial administration, disciplinary punishment of officials, and trial of administrative cases.

The granting of pardons and reprieves and the restitution of civic rights shall be submitted by the President of the Judicial *Yuan* to the National Government for approval and action.

Article 34. The Judicial *Yuan* shall have a President and a Vice-President.

In case the President is unable to discharge his duties from any cause whatsoever, the Vice-President shall act in his place.

Article 35. The Judicial *Yuan* may introduce in Legislative *Yuan* bills on matters within its own competence.

Article 36. The organization of the Judicial *Yuan* shall be determined by law.

Chapter V.

THE EXAMINATION *YUAN*

Article 37. The Examination Yuan shall be the highest examination organ of the National Government and shall take charge of examinations and determine the qualifications for public service. All public functionaries shall be appointed only after having, according to law, passed an examination and their qualifications for public service having been determined by the Examination *Yuan*.

Article 38. The Examination *Yuan* shall have a President and a Vice-President.

In case the President is unable to discharge his duties from any cause whatsoever, the Vice-President shall act in his place.

Article 39. The Examination *Yuan* may introduce in the Legislative *Yuan* bills on matters within its own competence

Article 40. The organization of the Examination *Yuan* shall be determined by law.

Chapter VI

THE CONTROL *YUAN*

Article 41. The Control *Yuan* shall be the highest supervisory organ of the National Government and shall, according to law, exercise the following powers:

(1) Impeachment.
(2) Auditing.

Article 42. The Control *Yuan* shall have a President and a Vice-President.

In case the President is unable to discharge his duties from any cause whatsoever, the Vice-President shall act in his place.

Article 43. The Control *Yuan* shall be composed of from nineteen to twenty-nine members, who shall be appointed by the National Government at the instance of the President of the said *Yuan*.

The security of tenure of office of the members of the Control *Yuan* shall be determined by law.

Article 44. All meetings of the Control *Yuan* shall be attended by members of the Control *Yuan* and presided over by the President of the said *Yuan*.

Article 45. The members of the Control *Yuan* shall not concurrently hold any office in any of the organs of the central or local governments.

Article 46. The Control *Yuan* shall have the power to introduce in the Legislative *Yuan* bills on matters within its own competence.

Article 47. The organization of the Control *Yuan* shall be determined by law.

Chapter VII.

ADDITIONAL ARTICLE

Article 48. The present Law shall come into force on the day of its promulgation.

Definition of Terms

The following explanation of terms used in the Constitution was issued by the *Kuo Min* news agency: The official title of the new law as expressed in the English language will be, "The Organic Law of the National Government of the Republic of China." The five Councils will be known as the Executive Yuan, Legislative Yuan, Judicial Yuan, Examina-

(*Continued on page 234*)

Who's Who in China

Theodore C. Ting
(丁超五)
Ting Chiao-Wu

Mr. Theodore C. Ting was born in Shaowu, Fukien Province on December 23, 1884. Graduate, Han-mei Academy, 1909; graduate, Foochow College, 1911; Instructor, Shaowu Government Middle School, 1911; Elected member of the House of Representatives National Assembly, 1912. Dean, Shaowu Government Middle School, 1915. Member, Extraordinary Session of the National Assembly at Canton 1917—1922. Member of the House of Representatives of the Restored National Assembly at Peking, 1924—1925. Elected Deputy Member of the Central Executive Committee, Nationalist Party, 1925. Chairman of the Fukien Commission of Nationalist Party 1926—1927. Member of the Political Council and also of the Provisonal Government at Foochow 1926—1927. Mayor of Foochow Municipality, Member of the Fukien Provincial Government and Commission of Construction 1927—1928. Appointed Chief Judge of Central Provisional Court for Special Crimes, 1928. Since the Republic, Mr. Ting has always been a Member of the Nationalist Party and was known as one of the few Sun Yet-senites in the National Assembly. Just before the conquest of Fukien by the Nationalist Forces, he was in charge of the Party affairs of that Province and had his headquarters in Amoy. At present Mr. Ting is, in addition to the official posts stated above, a member of the Central Executives Committee of the Nationalist Party and also a member of the Central Committee on Popular Movement, and of the Fukien Commission for Reorganization of Party Affairs. It may be added that as a member of the Central Executive Committee, he is automatically a member of the Central Political Council at Nanking.

SHIRT MAKERS
Toyo Murakami
SHANGHAI
東洋洋行
ART & CURIO DEALERS

General Liu Tze-lu
劉志陸

General Liu Tze-lu, Commander-in-Chief of the 13th Nationalist Army Route stationed at Eastern Shantung, was born in 1890 at Meihsien, Kuangtung. After graduating from the Canton Military Academy when he was a mere youth, he was commissioned as a staff officer in the Cantonese Army and after rendering several years, valuable service he was later rewarded by being promoted to the rank of General, and appointed Defense Commissioner of Swatow and Districts where he was responsible for the of peace and good order of the City and its surrounding districts. During his several years' tenure of office at Swatow he constructed modern highways, water systems and many other kinds of public utilities—which made him very popular. After the capture of Peiping by the Nationalists, General Liu tried several times to retire from public life, intending to tour Europe and America, but the Government would not accept his resignation, owing to the fact that he is one of the most important personalities in the coming settlement of the Tsinan or Shantung Questions. General Liu is at present stationed in the Eastern part of Shantung Province, South of the Kiao-Tsi Railway, with an army of over 25,000 men under his control.

Hearings Held in Washington on Narcotic Farm Proposal

The U. S. Government printing office has issued a 236-page book giving the testimony which was given by witnesses before the Committee on the Judiciary in the House of Representatives in connection with the Bills which have been introduced by L. C. Dyer, Congressman from St. Louis, Mo., to establish two Federal narcotic farms. Statements were made by various superintendents and warders of prisons, police officers, and various societies and institutions which have the public welfare at heart. One of the objects of the proposed "farms" is to provide treatment for those who have become confirmed addicts.

Philippine Sugar Association Issues Booklet

"Facts and Statistics about the Philippine Sugar Industry" is the title of a booklet issued by the Philippine Sugar Association with a view to informing the public as to the real status of the sugar consumption of the United States. The American beet sugar interests have introduced legislation into Congress having as the object the limitation of the amount of sugar entering the United States from the Philippine Islands at 500,000 tons. The pamphlet cites facts and arguments to show why such legislation should not be enacted.

"New China Edition"
of
THE CHINA WEEKLY REVIEW
ON SALE NOW-ONE DOLLAR PER COPY

The "New China Edition" contains articles concerning the history of Nationalism in China; the question of treaty readjustment, building and reconstruction projects which the Nationalist leaders contemplate; the progress of industry, finance and commerce, with suggested plans for further improvements; an analysis of foreign trade; discussions of imports and exports, with indications for the future, and a number of articles urging the necessity and means of accomplishing better understanding and cooperation in the realization of a "greater China." Among the contributing author are:

Hou Ki-hu	Chen Kwan-soon	R. T. Huang	Hin Wong
T. V. Soong	P. T. Chen	Chang Ching-kiang	Dr. Chen Kung-po
Dr. C. C. Wu	Hin Wong	Wm. Z. L. Sung	C. P. Ling
Dr. C. T. Wang	Samuel H. Chang	C. B. Kwei	Liang Yung-li
Dr. H. H. Kung	E. K. Moy	Y. T. Wu	C. W. Y. Meng
B. Y. Lee	R. T. Hsiang	Chang Tuh-yin	Paul K. Whang
Sun Fo	Lee K. T. Yen	D. K. Lieu	Paul C. Hsu
Hsieh Tu-pi	Ho Chieh-hsiang	T. W. Hu	S. H. Tan

In addition, there are articles by a number of leading foreigners including Mr. Julean Arnold, American Commercial Attache; Mr. C. Walter Young, authority on Manchuria; Mr. George F. Shecklen of the Radio Corporation of the Philippines; Mr. N. F. Allman, American Attorney of Shanghai, Mr. Henry Misselwitz, correspondent for the *New York Times*, Mr. Edgar Snow of the *China Weekly Review* and Miss Louise Blakeney Wilson, of the *North China Daily News*.

SPECIAL OFFER!

Annual Subcriptions to *The China Weekly Review* received (or in the mails) before November 15, 1928, will be entitled to one FREE COPY of the

"NEW CHINA EDITION"

The cost of one full year's subscription to the *Review* is $12, Mexican Currency, in China, or $10 Gold, abroad.

Fill Out The Coupon Now!

.....

THE CHINA WEEKLY REVIEW,
4 Avenue Edward VII, Shanghai.

Gentlemen: I inclose $....., for which you will please send me..... copies of the "New China Edition" of the *China Weekly Review*. At $1 per copy.

Special Offer Agreement: I inclose $..... in..... currency, for which you will please enter my name as a subscriber for one full year to the *China Weekly Review*. It is understood that I shall also receive FREE of charge one copy of the "New China Edition" of the *Review*.

Name.....

Address .....

WHAT IS HAPPENING TO CHRISTIANITY IN CHINA?

To know—read monthly

The Chinese Recorder

(Established Sixty Years)

A Mirror and Open Forum for the Presentation and Discussion of the Work and Meaning of Christianity in China in Relation to her Social and Religious Life.

News From all Over China.

Articles by Chinese and Missionaries.

"It is fast becoming the mirror it ought to be in reflecting the true state of affairs in China." *F. E. Lund.*

"I still think of the Chinese Recorder as the very best missionary paper coming from any mission field." *D. J. Fleming, Union Theological Seminary, New York.*

English-reading Chinese need to know the aims and work of the Chinese Church.

Subscription, *Shanghai Currency* $5.00. Send to Editor, Chinese Recorder, Room 210, Missions Building, Shanghai.

A sample copy will be sent on application.

SMALL BOTTLE 22 CTS.—LARGE BOTTLE 62 CTS.

"TIGER BALM"

THIS WONDERFUL BALM—

WELL KNOWN IN THE ORIENT is an absolutely Safe Remedy for Coughs, Colds, Rheumatism, Neuralgia, Gout, Sciatica, Lumbago, Asthma, Headache, Toothache and is an instant relief in Scorpion and other insect Bites, Cuts, Bruises, Cramp and all Chest Complaints.

DIRECTIONS: Rub well into the affected part, 2 or 3 times a day and then wrap with flannel or warm clothing.

ENG AUN TONG

The Tiger Medical Hall

89 N. Szechuen Road Tel. N. 2736

Men and Events

Robert McIntyre, representative of Paramount Pictures, is in Shanghai on a business trip.

R. L. Drake, representative of the Texas Oil Co. of New York arrived in Shanghai this week.

Albert Kilberg of the Eastern Trading Co. has returned to Shanghai from a visit to the United States.

Mrs. Emily R. Hager has returned to Shanghai after an absence in the United States of a year-and-a-half.

D. W. McKeel, manager of the Tobacco Trading Corporation, of Richmond, Virginia has arrived in Shanghai.

Mr. and Mrs. A. F. Meyer of the Standard Oil Co. returned to Shanghai last week from a holiday in the United States.

Leon Blum, a San Francisco salesman, was in Shanghai last week, on his return journey to America after a trip to Manila.

Albert Raskin of the U. S. Rubber Export Co. returned to Shanghai last week after an extensive tour of the Straits Settlements.

Miss Gertrude Selzor, superintendent of the American Hospital at Wusih, returned to China last week after a vacation in the United States.

Rev. J. K. Hawley and family of the Methodist Mission, have returned to their post in Fukien province after a holiday spent in the United States.

J. W. Carney, assistant general manager of the Standard Oil Co., and Mrs. Carney, have returned to Shanghai from a holiday in the United States.

W. G. MacDonald is a new addition to the Robert Dollar staff in Shanghai. He and Mrs. MacDonald arrived here early part of this week from the United States.

The Rev. B. E. Kellogg of the American Board of Missions has returned to his post at Shaowu, Fukien province, after a holiday spent in the United States.

Dr. H. Chatley will address the Royal Asiatic Society, 5 Museum road, Shanghai, on Thursday, October 18, at 5.30 p.m. on "Did Chinese Civilization Come from Egypt?"

Dr. Chiang Mon-lin, chancellor of the Chungshan University in Hangchow, is reported to have accepted the post of Minister of Education in the new Nanking Government.

C. H. Harris, of the Standard Oil Company, and William North, of the National City Bank, were among the passengers who arrived in Shanghai on the *President Madison* from the United States, October 6.

George J. McCarthy, assistant general passenger agent of the Dollar Steamship Line, accompanied by Mrs. McCarthy, returned to Shanghai from a holiday in the United States by the *s.s. President Pierce*, Tuesday, October 9.

Wm. S. Fleming, senior member of the firm of Fleming, Franklin and Allman, has returned to Shanghai from a business trip to the United States. Mr. Fleming traveled to America by way of the Trans-Siberian railway.

Rev. T. C. Wu, general secretary of the Chinese Mission to Lepers proceeded to Peiping during the week to represent the American Bible Society at the official opening of the Peiping Bible House on October 11. Mr. Wu expects to return to Shanghai in about two weeks.

Mr. Y. C. Lu, designer of the Sun Yat-sen memorial at Nanking is ill in the Shanghai Sanitorium. Besides designing Dr. Sun's tomb, Mr. Lu also won in open competition the $5,000 prize for the best design for the Sun Yat-sen Memorial Auditorium in Canton, which, having a capacity for 5,000 people, is the largest of its kind in China.

A murderous assault by unidentified foreigners was made upon J. P. Ferrer and his son Jean, French merchant at Tientsin, during the early hours of Saturday, September 29. Three foreigners gained an entrance to the bedroom of their victim by means of a ladder and one of them shot Mr. Ferrer in the hip whilst he was asleep. His son was shot in the left forearm. Both victims will recover, but the latter's forearm had to be ampulated.

Established 1901

Tuck Chang & Co.

Jewellers

67 Broadway

Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activities in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Toho News Service:

Nanking, Oct. 2.—Wang Pei-chun, Minister of Communications, with reference to strike of postal workers, in interview states that Nationalist Government had requested Central Kuomintang Party to communicate with the Peiping and Shanghai District Parties asking them to exert efforts to stabilize the situation.

Tokyo, Oct. 4.—Premier Tanaka tells Chang Chun that the settlement of all problems pending between Japan and China depends upon the future attitude of the Nationalist government.

Peiping, Oct. 4.—Jehol question made difficult of settlement by northern troops under Jehol Tutung starting military operations on border.

Peiping, October. 4.—Postal workers union decides to present demands similar to those made at Shanghai, but later decide to postpone threatened strike.

Peiping, Oct. 4.—Japanese Minister calls attention of other Ministers to Chinese post office boycott of *Shuntien Shih Pao* as being a breach of the Washington Conference.

Peiping, Oct. 5.—Owing to strengthening of Nanking government tendency appears for Powers to send envoys to Nanking or strengthen the consulates at Shanghai.

Peiping, Oct. 5.—A. H. F. Edwardes, recently appointed Acting Inspector General of Customs, calls on Japanese Minister. It is learned that the Powers on the whole are not in favor of removing the Inspector General, for the time being.

New York, Oct. 4.—N. Y. *Times* publishes editorial saying that if the U.S. were placed in Japan's position, most likely its China policy would follow the same path as Japan's.

Peiping, Oct. 5.—Italian Minister to leave here for Nanking October 11.

Peiping, Oct. 6.—Gen. Fan Che-wu, commander of 4th Nationalist army, continues operations against Tang Yu-ling, tutung of Jehol.

Peiping, Oct. 6.—Fengtien leaders propose to return only half of the rolling stock taken by Fengtien troops, other half to be used by railways in Three Eastern provinces, also the Fengtien proposal asks that Diplomatic Corps guarantee that returned rolling stock shall only be used for commercial purposes.

Tokyo, October 7.—Consul General Yada will shortly proceed from Shanghai to Nanking to take up negotiations with the Nationalist authorities, also negotiations on treaty are to be opened as soon as the personnel of chairman of the Five Boards is formally announced.

Tokyo, Oct. 7.—Military conference decides to recall 7,000 troops from Shantung, leaving behind some 5,000.

Peiping, Oct. 8.—Party of Japanese legislators arrives here and interviews Gen. Yen Hsi-shan.—Following conference with Chang Hsueh-liang, Tang Yu-lin, Jehol tutung, is for the time being to have charge of affairs in Jehol.

Nanking, Oct. 8.—Chang Hsueh-liang appointed member of committee of Nationalist government.

Peiping, Oct. 8.—Gen. Yang Yu-ting in interview at Luanchow states that Jehol question "will be amicably settled after an agreement is reached between Fengtien and Nationalist authorities on certain points."

Mukden, Oct. 8.—Decision reached between Tang Yu-ling, Jehol tutung, and Fengtien military authorities that Jehol province be kept in the hands of the Fengtien faction.

Tientsin, Oct. 8.—Eight Nanking Customs officials arrive at Chinwangtao and impose there the same taxes as in Nationalist areas, including tobacco and wines. Fengtien authorities protest.

Tokyo, October 9.—As soon as Premier Tanaka returns from grand maneuvers a decision will be made concerning instructions to be given to Consul General Yada at Shanghai for further negotiations on Sino-Japanese questions.

STANDARD OIL CO. OF NEW YORK

26 BROADWAY NEW YORK

SOCONY 美孚行

The Mark of Quality

Socony Products

Illuminating Oils
Gasoline and Motor Spirits
Asphaltums, Binders and Road Oils
Lubricating Oils and Greases
Fuel Oil
Paraffine Wax and Candles
Lamps, Stoves and Heaters

Branch Offices in the Principal Cities of

Japan	Philippine Islands	Turkey
China	Straits Settlements	Syria
Indo-China	Netherlands India	Bulgaria
Siam	South Africa	Greece
India	Australia	Jugoslavia

$5,000,000 worth of Curios

FOR SALE A Hsuan Te' (A.D. 1426-1435) Heaven Ball vase in deep blood color of Ming dynasty. This wonderful piece of porcelain is glazed with a mixture of powdered Ruby and pure Gold and of such dimensions that 20 ozs of powdered Ruby has been estimated as necessary for its entire coating. This vase is painted in pure gold, showing the eight Gods "Pa Hsien etc." This is the most precious vase brought to light of the Emperor's birthday wares. It is unusual in excellence and peerless in the World.

On view at No. P. 522 Nanking Road.

Price:—$500,000.

Or Whole collection consists of 100 porcelains, Jades, Bronzes, etc., for $5,000,000.

Office Hours: 10-12.30 a.m.
3- 5. p.m.

S. TALBOT & SONS
522 Nanking Road
(Between Shantung and Shansi Roads.)
Shanghai.

Kiangnan Dock & Engineering Works

Engineers, Boilermakers and Shipbuilders

SHANGHAI

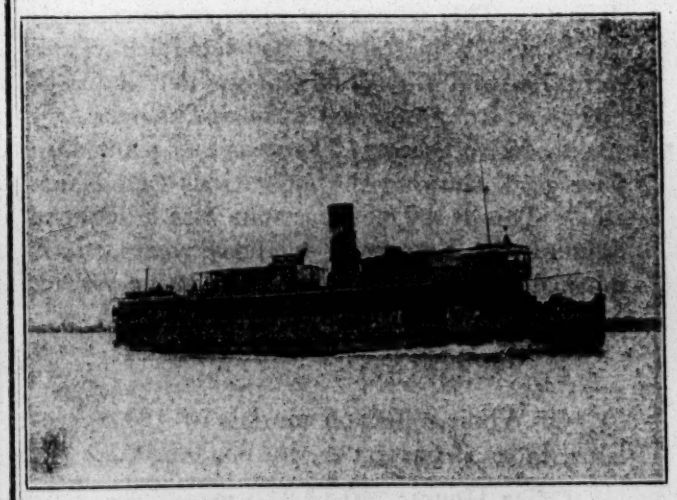
Telephone:
C. 1676 & 1678
—
Cable Address:
"Sinodock,"
Shanghai

Codes Used:
A.B.C. 5th Edition,
Bentley's, Lieber's,
Standard, The
Engineering 2nd
Edition.

Two Dry Docks—Dimensions are

Name	Length on Blocks	Breadth		Depth on Sill
		Top	Bot.	
No. 1 Dock.....	545-ft.	70-ft.	62-ft.	20-ft.
No. 2 Dock.....	502- „	70- „	60- „	23- „

Sheerlegs to lift 75 tons.



Winter Upper Yangtse Steamer "Yung An"

On Trials—Speed 14.3 knots loaded.
153-ft. by 29-ft. by 8-ft. 6-ins. Draft 6-ft. 6-ins.

From the Chinese Press

(News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kuo Min (Nanking official), Ta Chung (Kuominchun) and Toho (Japanese news agencies, and from translations of articles and dispatches appearing in the local Chinese press).

Wednesday, October 3.—Hopei province to open institute for training magistrates.—Chiang Kai-shek in circular order says disbanded soldiers should have their services recognized.—Central authorities instruct Gen. Fong Chen-wu to prepare for an advance into Jehol.—Feng Yu-hsiang directs motor road be built from Sian to Tungkwan.—Feng Yu-hsiang asked to come to Nanking by Hu Han-ming.—Government Council holds 98th meeting at Nanking. Dr. C. C. Wu, Frank Lee and Dr. Wang Shih-chih are nominated members of the Permanent Court of Arbitration at the Hague.—20,000 infantry and 3,000 cavalry withdrawn from Tangshan and Kuyeh to points between Peiping and Tientsin.—Gen. Pei Tsung-hsi arrives at Lwachow to inspect troops.—Peiping municipality announces that all caught smoking opium will be punished.—Wu-Han C. P. C. instructs Hunan and Hupeh provinces to submit report on famine and drought conditions.—Minister Wang Pei-chun in interview mentions that a newly promulgated law governing settlement of Capital and Labor disputes provides that railway, postal and telegraph offices may not strike, and the Shanghai postal workers who are on strike will be dealt with according to the law.—Shanghai headquarters keeping strict watch for suspicious persons who might create disturbances during the October 10 holiday.—Hopei provisional government will move to Peiping October 12.—Ministry of Foreign Affairs at Nanking prepares to receive Italian Minister, due October 16 or 17.—News received that Fuad Bey, Turkish charge d'affaires at Tokyo has been appointed to similar post to China.—Dr. Wagner, Counsellor of the German Legation, arrives at Nanking, the first foreign diplomatic representative to function there.—Standing Committee of C. E. C. adopts resolutions governing the underlying policies of the Nationalist Government during the Period of Political Tutelage.

Thursday, October 4.—General Fukuda, commander at Tsinan, gives dinner to foreign consuls prior to departure for Japan.—Revised law governing reorganization of Nationalist government formally promulgated at Nanking.—Sixty wireless stations to be installed in Shansi.—Hupeh province to contribute $100,000 monthly towards Navy expenses.

Friday, October 5.—Law of reorganized Nationalist Government being translated into English and French and when translations are completed will be forwarded to Ministry of Foreign Affairs for issue.—Preparations being made for National Opium Suppression Conference to be held in Nanking Nov. 1. Various government representatives meet at the Naval Club, Shanghai, to devise measures to settle postal strike.—Officers appointed by National Aviation Association at Nanking.—Ministry of Foreign Affairs announces appointment of Lou Tung-sun as member of treaty revision committee and Lu Chao-kwun as consul at Vancouver.—Old mining regulations to be discarded as running counter to Dr. Sun's principles, according to Ministry of Agriculture order.—Gen. Chu, field commander of 5th route army, announces a scheme of rehabilitation for Kiangsi province.—Pei Tsung-hsi having declined invitation of Fengtien authorities to proceed to Mukden to confer with Chang Hsueh-liang. Yang Yu-ting is proceeding to Tangshan for second interview with Pei Tsung-hsi.—Expected at Nanking that appointment of the directors of the five newly created Councils will be announced about October 10—Central Party headquarters at Nanking issues orders to branches in provinces prohibiting unauthorized publication of individual opinions with regard to party

K. H. THOMAS
12A Nanking Road, Telephone C12608
First Floor

TRICOLINE SHIRTINGS
Just Arrived

Inspection Cordially Invited

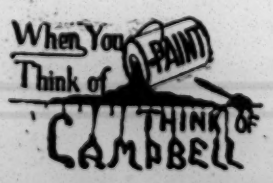
politics and principles.—Six districts (Shanghai, Paoshan, Nanwhei, Chwansha, Fengyen and Tsungming) all placed under General Hsiung, Shanghai Garrison Commander.—Translation issued of new law which was promulgated at Nanking, October 4.

Saturday, October 6.—Minister of Interior announces postponement of national internal affairs conference previously fixed for November 1.—Fukien provincial government prohibits gambling.—Half a million dollars from Overseas fund to be used to buy airplanes.—Mayor Liu of Nanking issues plans for remodelling of city so that it shall be worthy of being the nation's capital.—Second group army being transferred from Lutai to Yangtsun for reorganization.—Dr. C. T. Wang receives congratulations from Manuel Quezon on recognition of Nationalist government by the United States.—Peiping-Mukden railway administration announces normal communication between Lwanchow and Tientsin established.—Approval given at 99th meeting of Government Council to T. V. Soong's proposal to issue short-term loan for $30,000,000.—Central Bank of China to open shortly with authorized capital of $20,000,000 to be appropriated from Central Treasury; T. V. Soong to head board of directors.

Sunday and Monday, October 7 and 8.—Gen. Feng Chen-wu's Nationalist forces penetrate 90 li into Jehol, arriving about 70 li from Lwanpinghsien, Tang Yu'-lin, the recalcitrant tuchun's stronghold.—Interprovincial conference of associated chambers of commerce meeting to be held in Shanghai postponed until Oct. 13.—Beginning next year 10 to 20 per cent of revenue of all provincial and municipal governments is to be set aside for educational work, according to Government Council circular order.—Hopei provincial government recommends capital punishment for officials discovered receiving bribes.—National Finance Conference orders all provinces to submit details of oustanding debts.—Gen. Hsu Yung-chang of Hopei province arrives in Peiping to consult Yen Hsi-shan regarding bandit suppression measures.—Feng Yu-hsiang instructs Shensi provincial authorities to work out tax reduction measures.—Feng Yu-hsiang invites Hu Han-min and Tai Chi-tao to visit Kaifeng to deliver lectures on party principles.—Hsing Shih-lien proceeds back to Mukden from visit to Nanking so as to confer with Gen. Chang Hsueh-liang regarding measures for military and political unification of the Three Eastern provinces.—Szechuen provincial administration to be centralized following military conference at Tzechow.—Yen Hsi-shan promises Chiang Kai-shek to come to the capital for a conference as soon as he has inspected the municipal administration at Tientsin. Pei Tsung-hsi proceeds to Lwanchow to confer with Yang Yu-ting on administration of territory inside Great Wall.—C. T. Wang in interview states that the U. S. Government has given Mr. MacMurray, American Minister, full power to sign Customs treaty with National government, and that the Italian Minister Vare has received instructions from his government to enter into negotiations to make a treaty with China on basis of full equality.—Feng Yu-hsiang and staff leave Sian for Kaifeng.—Sister and brother-in-law of Ho Lung, Communist leader, arrested in southern Hunan.—Kiangsi province reduces farm tax.—Fukien province plans to unify finance and reduce and reorganize military forces.—Kiangsu provincial government conducts investigation of books and records of district officials.—Birthday of Confucius, coinciding this year with National holiday (Oct. 10) schools and educational institutions prepare suitable celebration.

Tuesday, October 9.—Motor truck mail distribution being organized in Kwangsi.—National holiday celebrations begin at Shanghai with memorial service at public recreation ground near West gate.—Peiping Public Safety Bureau to send 200 gendarmes to Naking for service in capital.—Ministry of Interior instructs Kiangsu, Chekiang

(Continued on page 234)



H. B. Campbell

46 Szechuen Road,
Shanghai.

The Far Eastern Bank ("Dalbank")

Established in Harbin

HEAD OFFICE: HARBIN.

BRANCHES: Shanghai, Tientsin, Kalgan, Manchuli and Hailar.

CORRESPONDENTS: In U.S.S.R.—The State Bank of U.S.S.R. (Gosbank) and others.

In London: The Bank for Russian Trade Ltd., The Equitable Trust Company of New York.

In New York: The Equitable Trust Company of New York. The Chase National Bank of the City of New York.

In Germany: Deutsche Bank.

In Austria: Oesterreichische Credit Anstalt fur Handel und Gewerbe.

In Mongolia: The Commercial and Industrial Bank of Mongolia (Mongolbank)

The Bank has correspondents also in France, Latvia, Esthonia, Poland, Lithuania, Finland, Turkey, Bulgaria, Czecho-Slovakia, Rumania and Yugoslavia.

Shanghai Branch: 29-A, Szechuen Road, S. Y. Sheng Building.

Tel. C. { 4746 Manager
4747 Exchange Dept.
2865 General Office.

Every description of banking business transacted

THE CHINESE CRIMINAL CODE

(English Translation)

By Yu Tinn-Hugh, Ph. D., LL.B.

This book contains the English Translation of the new Chinese Criminal Code which became effective on September 1, 1928. It consists of two main parts and an appendix. The first part contains fourteen chapters dealing with rules of application, general interpretations, joint-offences, penalties, recidivism, etc. The second part contains thirty-four chapters dealing with offences against the security of the state, internal and external, offences against friendly relations with foreign states, offences against public order, counterfeiting, forging, offences against morality, against marriage and family, opium, causing injury, interference with personal liberty, etc.

The appendix contains a preface to the draft of the present criminal code by Dr. Wang Chung-hui, a table of changes and corrections between the present and former criminal code, similarities and dissimilarities, etc.

This book is of vital interest to members of the legal fraternity and owing to the consideration of the relinquishment of consular jurisdiction, should be of general interest to the foreign community.

Price, including postage.....$3.00

Send orders to

THE CHINA WEEKLY REVIEW

4 Avenue Edward VII
Shanghai.

CUSTOMS NOTIFICATION

NO. 1134.

INVOICES ACCOMPANYING APPLICATION, TO BE SIGNED BY IMPORTERS

It is found necessary to repeat the terms of Customs Notification No. 779 of May 1913 and to inform importers that beginning from the 1st October 1928, no invoice will be accepted by the Appraising Department unless endorsed to the effect that its correctness is guaranteed and the endorsement signed by a responsible member of the firm.

"The attention of importers is called to the fact that numerous cases of forged invoices have recently come to light, such invoices having been fabricated by employees of importing firms and presented to the Customs in place of the genuine invoices, together with false applications showing quantities and valuations corresponding with the false invoices. So serious is this evil that it is necessary to take special measures to prevent it, and to require that the correctness of invoices shall be guaranteed by a responsible member of the importing firm. Unsigned invoices may be made by anyone; and invoices signed only by the shippers may be forged without detection; but the signatures of members of local firms cannot be imitated without serious risk of discovery. Importers are, therefore, requested to make on their invoices a note to the effect that the correctness is guaranteed—such note to be signed by a responsible member of the firm.

"It is further requested that for the prevention of fraud on the part of their employees, importers will compare the amounts of duty paid, as shown by their books, with the amounts entered on the Customs passes.

"It is only so long as invoices are above suspicion that Customs examination can be dispensed with; and the cooperation of all importers is asked for in their own interests as well as in that of the Customs in stamping out this species of fraud which has attained considerable proportions."

F. W. Maze,
Commissioner of Customs.

CUSTOM HOUSE
Shanghai, 6th September, 1928.

Your American Markets are from 1 to 7 days closer via Seattle!

THE Seattle "Great Circle" route is from 500 to 1500 miles shorter than any other across the Pacific. This means from one to seven days *less* "in transit" time; from one to seven days *quicker* deliveries; from one to seven days *less* interest and insurance charges.

To ignore these facts is to ignore shipping economies and sales advantages which your business should enjoy.

Route *via Seattle* and profit by these advantages.

Write Traffic Department for full particulars.

The PORT of SEATTLE
GATEWAY TO AMERICAN MARKETS

The Far East*

BY HARVEY R. HARRIS

IT is with keen pleasure that I find in my hands a truly splendid and dependable survey of the political and diplomatic experiences of the Far East. This survey, in the form of a book, by Dr. Payson J. Treat, for many years an able lecturer on Oriental subjects in Stanford University, displays a comprehensive understanding of the relations and significances of the innumerable changes which are recorded and which we regard as Oriental History; but so judicious is the author in his selection and arrangement of both events and their accompanying details, so happily opportune is he with every needed clarifying transition, that the general reader is lightly borne over great masses of underlying facts and implications without suffering any sense of loss. Moreover, the author thinks so clearly and his style is so lucid that the task of following with him the evolution of the Oriental countries until a good grasp of the underlying causes of the prevailing conditions is attained, is reduced, it is hardly an exaggeration to say, to an easy but very real pleasure.

The author states in his Preface that the purpose of his survey is "to furnish a text-book for students and a reference work for general readers in a field which is rapidly assuming more importance"; but however accurate this statement may be, it hardly does justice to the writer. One would more readily appreciate the scope of the work, at least, if the purpose were given as the intelligible presentation of those factors (now largely historical) which determined present conditions in the Orient; as the presentation of those factors in such a way that the reader will gain an adequate conception not only of conditions as they are today, but of the whole causal fabric underlying them. Moreover, the author has referred to his work as "a survey of the political and diplomatic history of the Far East", and, at the beginning of this comment, I too, have characterized the book in these terms. But here again, justice is not done; for the work involves, inevitably, economic, social, topographical, and other aspects. The author has spared investigation in no related subject, lest a vital factor in the development of Oriental life be overlooked. Accordingly, we find considerations of physical background; racial origin; early history involving customs, education, religion, culture, commerce, etc.; late history involving treaty settlements, missionaries, development of representative institutions, the end of feudalism, modern Imperialism, late politics and reforms, etc.

China-Japanese Relations

We also find an attempt to clarify the relations between China and Japan, to estimate the effects of the World War upon the Orient, to ascertain the place of the United States in the Far East, and to give some idea of the complicated political procedures in China since 1915, the latter effort being little short of heroic, considering the little care with which most people will peruse this phase of China's history. I may as well state here that the author has included chapters that discuss the policies of the United States as they are manifest in the Philippine Islands and the Orientals who are resident in the United States.

Obviously, the author has used the historical method. His fundamental thesis with regard to method is suggested by the editor in his Foreword: "This revolution or rather evolution in the Far East is the maturing result of the impact of the West and its institutions upon the ancient culture, institutions, and peoples of the Orient. Beginning tentatively and with the first travelers, traders, and missionaries, this invasion has in our day become the last and most portentous phase of the expansion of Europe and the first and most fascinating center of an awakening Asia. Western national imperialism and modern industrialism and commerce have tremendously widened the breach in the walls raised by the Orient in the days of its long isolation. New problems within and without the boundaries of China and Japan, new courses to be charted by them and by the nations of Europe, America, and Australia in relation to the changing Orient are pressing for consideration." Adhering to this thesis, the author is able to avoid discussion of such remote matters as the complicated and more strictly internal struggles of Oriental history or the rise of Occidental Imperialism, although they have, in their own way, an obviously important bearing upon the subject in hand. Essentially, he remembers that the impact of two or more peoples results in something like a chemical action: there are fundamental changes and distinct new products,—products, it is true, which undergo new impacts, develop new changes, and bring forth still other products. Evolution in the historical method is most provocative to clarification and understanding.

**The Far East.* A summary of the political and diplomatic history of the Far East, particularly of China and Japan. By Payson J. Treat, PhD. Harper and Brothers, publishers, 1928. 549 pages. Bibliography, 14 maps.

It would be a rather foolhardy undertaking in this review to take up various subjects which the author has discussed and to pass judgment upon each with reference to truth, justification of use, or adequacy of treatment. Those subjects are far too numerous to warrant anything but a very general treatment. I shall be content to make but one or two observations in connection with the materials used. Although *The Far East* does in truth touch upon all the countries of the Orient, it becomes obvious to the reader that the author is not particularly concerned with prevailing conditions in the minor countries, such as those of Indo-China. In fact, he is hardly at all concerned with those countries except in so far as European policies have created definite reactions in Japan or China. Indeed, the author admits so much in his Preface: "It seemed advisable, therefore, to include as much of the historical and cultural background as would be essential for the understanding of more recent events, and also to include some consideration of the regions adjacent to China and Japan if conditions or developments there have affected the history of the two principal nations. The policy and conduct of Japan in Korea, for example, can be better understood if the policy and conduct of France in Indo-China is taken into consideration." We may expect, then, a full application of the historical and evolutionary method only with reference to Japan and China.

China the Center of Interest

China is the true center of the author's interest. Fully half the chapters of the book deal with this country: but it must be admitted that from the standpoint of political importance and interest, China may indeed warrant treatment in this large proportion. That Dr. Treat feels genuine friendship for China is quite evident; but he does not hesitate (and this is truly a manifestation of friendship) to state what he believes to be
the true causes of China's political unhappiness;—and these causes do not, primarily, hark back to the foreigner. It will be of interest to quote at length on this matter, so well has Dr. Treat summarized it, while betraying his own point of view and friendly interest:

"It should be evident from the survey of conditions in China since the revolution that the fundamental causes of the sufferings which have been endured by the people have been due to domestic rather than foreign causes. By placing the responsibility upon the foreigners the political leaders have diverted attention from their own incapacity and misdeeds. With the removal of a recognized central authority, the Manchu dynasty, and the attempt to set up an unworkable republic, political anarchy was bound to result. The selfish strivings for place and power on the part of the warlords have brought unspeakable evil to China. With the aspiration of the Chinese people, as voiced by the Nationalist leaders, the foreign governments, without exception, have had much sympathy. . . There need be no question that all the powers are eager to do anything, within reason, to win and hold the goodwill of the Chinese people. On this depends the development of their commerce and their missionary and cultural enterprises. But the withdrawal of foreign protection, at a time when the Chinese people themselves are subjected to grievous oppression, would serve no good purpose. If China, after 1911, had made even a reasonable advance in political unity and good order, along the lines which Japan followed between 1868 and 1894, there is not the slightest reason to doubt that the powers would have revised all the unequal treaties much sooner than they did in the case of Japan. But it cannot be pointed out too clearly that China has a certain responsibility resting upon her to establish such conditions that not only foreign lives and property, but Chinese lives and property, will be safeguarded. It will require more than political slogans and political demands to bring this about. In the meantime the foreign powers should abstain from any interference in the political affairs of China, no matter how great the inducement may appear, and confine their efforts to the protection of their legitimate interests and the lives of their nationals, while standing ready to meet every advance in good government with a progressive relinquishment of their treaty privileges."

Japan and Manchuria

Towards Japan, the author also reveals friendliness; but in his estimate of the attitude of the present government I believe he has failed to be impressed with the deep desire to attach Manchuria. That he believes in the sincerity of Japan's enunciations as they have been heard during the last few years is demonstrated in a statement made in connection with his reference to the attitude of the powers towards China: "Notable in its manifestations of sympathy and its active advocacy of non-interference in Chinese affairs has been the government of Japan." I venture to say that this statement would have been modified if the author had known of the "advice" to the son of Chang Tso-lin. It may be, indeed, that the "strong policy" of Japan is now undergoing a radical change, in the face of an overpowering world-sentiment, in favor of leaving China alone; but it is too much to suppose that

Publications of the

World Peace Foundation

On sale at the office of

The China Weekly Review

—China Today: Political—a booklet, which with appendix, contains more than 500 pages and covers the Nationalist Movement with a reference to the political organization before and since 1911, civil conflicts since 1916, the Nationalist Movement, Revolt Against External Influences, attitude of the United States, etc..... By Dr. Stanley K. Hornbeck, former professor of Oriental History at Harvard and now chief of the Far Eastern Bureau of the State Department...Price 30 ¢
(In cardboard cover)..... „ $1.00

—Eighth Yearbook of the League of Nations, the record of 1927..... „ 70 ¢

—The World Court, 1922 to 1928, the Yearbook of the Permanent Court of International Justice. By Dr. Manley O. Hudson, professor of International Law at Harvard ..... „ 70 ¢

—American Neutrality and International Police, by Philip C. Jessup, Assistant Professor of International Law, Columbia University ..... „ 70 ¢

—The British Commonwealth of Nations, by A. Lawrence Lowell and D. Duncan Hall ..... „ 50 ¢

—Nicaragua and the United States, by Isaac Joslin Cox..... „ 70 ¢

—Arbitration and the United States-Summary of Development of Pacific Settement of International Disputes ..... „ 25 ¢

—The Locarno Conference, October 1925 ..... „ 15 ¢

—The Mexican Revolution and the United States, 1910-1926 ..... „ 15 ¢

—Problems of the Pacific, By Raymond Leslie Buell ..... „ 25 ¢

In case copies of these books are desired in permanent cardboard binding the price is Mex. $2. Since there is only a limited number of copies on hand orders should be placed immediately. Send orders to the undersigned,

THE CHINA WEEKLY REVIEW
4 Avenue Edward VII
Shanghai

Japan would stop aggression in Manchuria in the event of a moderation of this sentiment. On the whole, however, the author's admiration for the persistence of Japan in rising to a place among the nations of the world and for the tact, effort, and efficiency which she displayed in accomplishing her aim is based upon a sound appreciation of her essential characteristics. Meanwhile, we shall hope that Japan will soon have a government that will prove more worthy of her than has the present one; and this hope we may assume to be justified in the knowledge that the old feudal military predominance, still to be felt in the present government, is slowly but surely passing; that the rise of democracy in Japan is a fact which is daily becoming more conspicuous; that world-sentiment which opposes aggression as well as war is becoming a tremendous force in the world.

Omission of Details

Returning to the functions of the book reviewer, I should send out the warning that although the author is ever judicious, the student who is more than a tyro in Oriental considerations will frequently become impatient with the omission of details which he may deem interesting or important. Occasionally, it is true, such omissions tend to cause faulty conceptions or interpretations; but this is one of the ever-present dangers and disadvantages that attend all summaries. A summary is a summary; and the advanced student must therefor be moderate in his expectations of this book. Again, it may be observed that all the causes of a given phenomenon are not cited. This may very well be a more serious charge. We are told, for example, at the beginning of the chapter on "Reform and Reaction", that the causes of reform were Western aggression and the observation of the development of Japan. Observation of the ideas and customs of missionaries and the enlarging ideals in education are also causes here neglected. However, such neglect rarely occurs; and even when it does, the matter concerned is usually taken care of in another part of the book. Finally, the reader may be aware that many books on the Far East have now been written and that neither the method of this book nor most of its materials are new. This is true; but the book has a distinctive value, notwithstanding, in its unusually clear and orderly presentation of subject, in its comprehensiveness and dependability, and in its splendid freedom from exhibition of any racial, national, or religious bias which the author might, though hardly conceivably, hold.

Shanghai College, Shanghai, October 7, 1928.

THE ORGANIC LAW OF THE NATIONAL GOVERNMENT OF THE REPUBLIC OF CHINA

(*Continued from page 225*)

tion Yuan and Control (Censorship) Yuan. In future the word "National" is to be used in preference to the word "nationalist" when referring to the Government of the Republic. It was also explained that the word "Yuan" had a meaning in the Chinese language similar to the English words, "Chamber," "House," or "Council."

Cabinet Officers Under Executive Yuan

According to the law of the Executive Yuan, the ten Government Ministries and four standing committees will be under the Executive Yuan. These Ministries are, Interior, Foreign Affairs, Finance, Industry, Commerce and Labor, Agriculture and Mining, Military Administration, Communication, Railways, and Health. The standing Committees are Reconstruction, Overseas Affairs, Labor, Mongolian and Tibetan Affairs. There will also be two general departments consisting the Secretariat and Administration Affairs Departments. The present Ministry of Justice will be incorporated into the Judicial Yuan while the Legislative Yuan will consist of four committees, namely Foreign Affairs, Finance, Military Affairs, Law Codification. It will also have a secretariat and translation department. The Judicial Yuan will have five departments, one committee and one ministry,

Gen. Chiang Kai-shek Becomes President

At the 173rd meeting of the Standing Committee of the Kuomintang Central Executive Committee held in Nanking on October 9, the day preceding the celebration of the Chinese National Holiday, marking the anniversary of the establishment of the Chinese Republic in 1911, the following officials of the newly reorganizad government, were elected:

Chiang Kai-shek, President of the National Government
Tan Yen-kai, President of the Executive Yuan
Hu Han-ming, President of the Legislative Yuan
Wang Chung-hui, President of the Judicial Yuan
Tai Chi-tao, President of the Examination Yuan
Tsai Yuan-pei, President of the Control Yuan.

In addition to the foregoing, the following were elected members of the first Government State Council:

Chiang Kai-shek, Tan Yen-kai, Hu Han-ming, Wang Chung-hui, Tai Chi-tao, Tsai Yuan-pei, Feng Yu-hsiang, Sun Fo, Chen Kuo-fu, Ho Ying-ching, Li Chung-jen, Yang Shu-chwang, Yen Hsi-shan, Li Chi-sen, Lin Sen and Chang Hsueh-liang.

The election of Gen. Chang Hsueh-liang, the son of the late Marshal Chang Tso-ling, as a member of the Government State Council caused a considerable sensation in Chinese circles, the purpose apparently being to clinch the unification of the Three Eastern Provinces with the Nationalist Government.

The officials of the new Government were sworn into office with appropriate ceremonies on October 10, the National Holiday.

FROM THE CHINESE PRESS

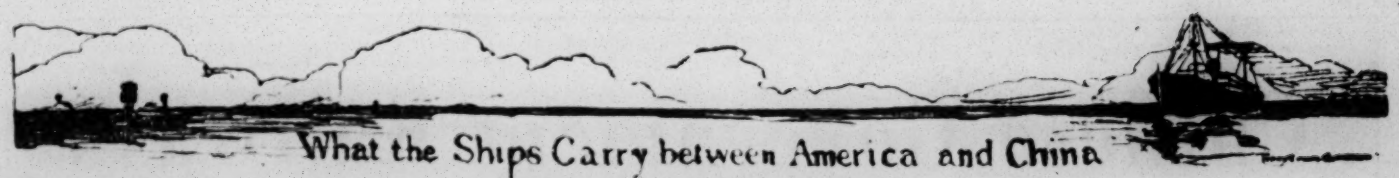
(*Continued from page 231*)

and Anwhei and various cities to sumbit census report.—Chang Hsueh-liang telegraphs to Peiping that Chang Chung-chang has returned to Tsingtao and is attempting to regain control of Shantung soldiers.—Shantung province to set aside $2,200,000 for educational purposes.—Following conference of Pei Tsung-hsi and Yang Yu-ting at Lwanchow some locomotives and cars are returned to Peiping-Mukden railway.—Ten public parks to be opened at Nanking.—Central Political Council holds special meeting at Nanking.—Chiang Kai-shek elected president of government, Tan Yen-kai, Hu Han-min, Wang Chung-hui, Tai Chi-tao, and Tsai Yuen-pei respectively appointed presidents of the executive, administrative, judicial, examination and control *yuan* (boards) at 173d meeting of standing committee of C. E. C.—Despite some opposition, Chang Hsueh-liang appointed member of new National State Council.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity		Sale Price Oct. 11	Approx. Yield to Maturity Oct. 11
Argentine Government..	6%	May	1, 1960	99⅜	6.02
U. S. of Brazil	6½	„ Oct.	15, 1957	96⅝	6.79
Republic of Chile.....	7	„ Nov.	1, 1942	102	6.78
Republic of Chile.....	6	„ Jan.	1, 1961	94	6.45
Republic of Finland.....	7	„ Mar.	1, 1950	101	6.91
Finnish Guaranteed Municipal Loan.....	6½	„ Oct.	1, 1954	99	6.58
French Government.....	7	„ Dec.	1, 1949	108½	6.27
German Government....	7	„ Oct.	15, 1949	106⅞	6.40
Kingdom of Italy.....	7	„ Dec.	1, 1951	96⅞	7.28
State of Minas Geraes (Brazil)	6½	„ Mar.	1, 1958	95¼	6.88
Republic of Peru	7	„ Sep.	1, 1959	103	6.77
Republic of Peru	6	„ Dec.	1, 1960	90½	6.73
City of Vienna.....	6	„ Nov.	1, 1952	88¾	6.97
Mortgage Bank of Chile	6½	„ Jun.	30, 1957	97	6.74
Mortgage Bank of Chile	6	„ Apr.	30, 1961	92¼	6.58
German General Electric Co.	7	„ Jan.	15, 1945	103¾	6.62
German General Electric Co.	6	„ May	1, 1948	93¼	6.62
Central Bank for Agriculture	6	„ Apr.	15, 1938	91½	7.25
Saxon Public Works, Inc.	6½	„ May	1, 1951	94⅞	6.95
Saxon State Mortgage Institution.....	7	„ Dec.	1, 1945	99	7.09
Saxon State Mortgage Institution.....	6	„ Sep.	15, 1947	91	6.85
Tokyo Electric Light Co	6	„ Jun.	15, 1953	91½	6.71
Chicago Rapid Transit Co.....	6½	„ July	1, 1944	96	6.92
Northern Ohio Power & Light Co.....	6½	„ Jan.	1, 1941	98	6.75
Cuban Dominican Sugar Co.	7½	„ Nov.	1, 1944	98½	7.66
Pennsylvania-Dixie Cement Corp.....	7%	Cum. Pfd. Stk.		85	8.24
Victory Talking Machine Co.	7	„ Cum. Pfd. Stk.		107½	6.51
General Mills, Inc.....	6	„ Cum. Pfd. Stk.		97½	7.18
Willys Overland Co.....	7	„ Cum. Pfd. Stk.		98¼	7.13
Belgian National Rwy Co. Poptg. Pfd. Stk.	(Amm. Shrs.)			84	7.14
Dodge Brothers, Inc., ...	7	„ Pfd. Stock		109	6.42
General Mills, Inc.....		Common Stock		73½	——
Cannon Mills Co.....		Common Stock		47	——
Grasselli Chemical Company		Common Stock		59	——
Mohawk Carpet Mills, Inc.....		Common Stock		41	——
The National City Bank of New York Stock...				835	2.40

The National City Company National City Bank Building 2 A Kiukiang Road Shanghai, China.



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls.; Oct. Customs Rate Tls. 1.39 equal Gold $1

STANLEY DOLLAR, August 18.

Timber, Softwood:
- Logs ..... Sup.ft. 384,946
- Ordinary, Sawn.... ,, 2,341,714

CALCUTTA MARU, Aug. 23.

To U. S. A.

- Silk Waste, Refuse: Shanghai..... Bls.34 Pls. 101.30
- Silk Cocoon Stripping: Shanghai.....Bls. 16 ,, 49.96
- Silk Cocoons, Pierced: Other Ports.... Bls.33 ,, 99.04
- Egg Albumen, Dried .. ,, 84
- Feathers, Goose ..... ,, 103
- Wool, Sheep's ..... ,, 197
- Hats, Buntal Fibre..... Pcs. 2,700
- ,, Hemp ,, ... ,, 1,200

SHINYO MARU, Sept. 10.

from U. S. A.

- Borax, Refined..... Pls. 331
- Cigarettes .....Mille 2,840
- Motor-cars Parts of..Hk.Tls. 520

SILVERASH, September 10.

from U. S. A.

- Steel, Galvanized: Wire Rope..... Pls. 119
- Acid, Nitric..... ,, 74
- Canned Fruits ..... ,, 24
- Cotton, Raw..Bls.1,240 Pls. 4,409
- Gum Resin ..... ,, 4,048
- Indigo Paste, Artificial: 20 per cent, ... ,, 3,791
- 50 ,, ... ,, 100
- Leather, Sole ..... ,, 96
- Paper, Coated ..... ,, 399
- Sulphur Black..... ,, 2,432
- Tobacco, Leaf ..... ,, 8,620
- Wax, Paraffin ..... ,, 421
- Motor-cars ..... Pcs. 3
- Turpentine, Vegetable.. Galls. 324
- Cigarettes .....Mille 75,000
- Machinery ..... Hk.Tls. 45,178
- Motor-cars Parts of ,, 1,150

PRESIDENT GRANT, Sept. 11.

From U. S. A.

- Awabi, Dried ..... Pls. 3
- Flour, Wheat ..... ,, 1,029
- Gelatine..... ,, 2
- Hams ..... ,, 50
- Ink, Printing ..... ,, 292
- Milk, Condensed ..... ,, 900
- Yeast..... ,, 13
- Chocolate ..... Lb. 3,720
- Bedsteads ..... Pcs. 318
- Motor-cars ..... ,, 15
- ,, Parts of..Hk.Tls. 658

JAVANESE PRINCE, Sept. 13.

To U. S. A.

- Tea, Black, other kinds, Kiukiang ..... Pls. 170
- Wool, Sheep's ..... ,, 550

PRESIDENT McKINLEY, September 1.

To U. S. A.

- Silk Cocoons, Pierced: Other Ports Bls.43 Pls. 99.68
- Silk, Waste, Refuse: Other Ports Bls.50 ,, 167.68
- Tea, Green: Gunpowder, Ningpo.. ,, 225
- Tea, Black: Other Kinds, Kiukiang ..... ,, 122
- Ningchow, Kiukiang ,, 46
- Cotton Rags..... ,, 90
- Brassware ..... ,, 99
- Bristles, Assorted .... ,, 125
- Cigarettes..... ,, 18
- Chinaware, ... ,, 11
- Egg Albumen, Dried .. ,, 8
- Egg Yolk, Dried ..... ,, 473
- Feathers, Duck ..... ,, 15
- ,, Goose ..... ,, 6
- Hair, Human ..... Pls. 121
- Intestines, Pig Salted... ,, 8
- Intestines, Sheep, Salted ,, 30
- Oil, Groundnut..... ,, 11
- Oil, Wood ..... ,, 4,620
- Vermicelli ..... ,, 3
- Woodware ..... ,, 22
- Eggs Fresh .....Pcs. 180,000
- ,, Preserved ..... ,, 1,500
- Timber: Ordinary, Sawn Hardwood ..... Sup.ft. 3,925

EMPRESS OF ASIA, Sept. 14.

To U. S. A.

- Tea, Green: Gunpowder, Ningpo.. Pls. 162
- ,, Hangchow ,, 13
- ,, Kiukiang ,, 17
- Hyson, Kiukiang ... ,, 22
- Young Hyson, Kiukiang ..... ,, 101
- Young Hyson Hankow ,, 9
- Young Hyson, Hangchow ..... Pls. 9
- Silk Piece Goods, Shanghai..... ,, 7.92
- Silk, Raw, Steam Filature: White, Shanghai Bls. 57 ..... ,, 51.97
- Silk Cocoon Strippings Bls.28 ..... ,, 90.90
- Antimony Regulus ... Pls. 840
- Brassware ..... Pls. 21
- Bristles ..... ,, 154
- Chinaware, Fine ..... ,, 7
- Ink, Chinese ..... ,, 4
- Drawn-thread Work Hk.Tls. 8,234
- Carpets and Rugs....Hk.Tls. 1,696

PHEMIUS, Sept. 14.

To New York.

- Antimony Oxide ..... Pls. 840
- Bristles, Black..... ,, 50
- Oil, Wood..... ,, 465
- Tungsten Ore ..... ,, 420
- Hats, Buntal Fibre .... Doz. 75

SHINYO MARU, Sept. 19.

To U. S. A.

- Silk, Waste, Refuse: Shanghai .... Bls.16 Pls. 52.77
- Pongees, Shantung .... ,, 0.84
- Tea, Green: Young Hyson, Hangchow ..... ,, 24
- Gunpowder, Ningpo... ,, 48
- Egg Yolk, Dried ..... ,, 66
- Eggs, Fresh.....Mille 17

Latest New York Stock Exchange Quotations

Tel. 18891-18990 Oct. 9

Market Closed Uncertain. Business done 3,758,200

STOCK	Saturday Oct. 6	Monday Oct. 8
Allied Chemical & Dye (Common)	203	204½
American Can (Common)	107⅛	107⅜
American Radiator	150⅛	152⅛
American Smelting	248¾	253¼
American Telephone & Tel. (Common)	178	177⅞
American Tobacco "B"	163¾	161
Armour & Co. "A"	18⅛	18
Armour & Co. (Ill.) 7% Pfd.	85¼	84⅞
Anaconda Copper	62	82¼
Baltimore & Ohio	110⅞	111
Bancitaly Corp.	123⅜	124
Bank of Montreal	None	369
Bethlehem Steel (Common)	68⅛	67
Bethlehem Steel, 7% Pfd.	118	118½
Brooklyn-Manhattan Transit	70	71
Calumet & Hecla	32	32⅛
Canadian Pacific Railway	216⅝	215
Canada Dry Ginger Ale	76½	76¾
Cavanaugh Dobbs		33½
Cerro de Pasco	96⅝	96½
Chile Copper	51⅛	51
Chrysler	138⅞	135⅝
Consolidated Gas of New York	76⅞	75¾
Coty Incorporated	285	282
Du Pont de Nemours E. I. (Common)	396	393
Eastman Kodak	178	None
Electric Investors	66½	65½
Fox Film "A"	95⅝	96⅛
General Cigar	61½	61¾
General Electric Co.	161½	160
General Motors	213	211
Hudson Motor Car	94½	9
Industrial Rayon	127	130
International Cement (Common)	68	68
International Match, Pfd.	108⅛	106⅞
International Nickel (Common)	139½	137½
International Printers Ink	50	47¾
International Products Corp. (Common)	None	13½
International Products Corp., Pfd.	None	84
International Telephone & Teleg.	176	176¼
Kelvinator	11½	11⅝
Kennecott Copper	99⅞	99⅞
Liggett & Myers, Class "B"	90	88
Lorillard Company (Common)	28	27½
Madison Square Garden	None	21½
Mengel Bros.	37⅜	37¼
Missouri Pacific By.	70⅜	70½
New York Air Brake Co.	42⅜	41½
New York Central (Common)	171½	170⅝
North German Lloyd 6's 1947	93¼	None
Pacific Gas & Electric Co.	50	50
Packard Motor Car Co. (Common)	95½	93⅞
Pennsylvania Railroad	63⅛	64
Radio Corporation	203¾	200
Reynolds Tobacco, "B"	140½	140
Sears, Roebuck & Co.	146⅝	146½
Standard Gas & Electric (Common)	69⅝	69
Standard Oil of California	60⅛	60¼
Standard Oil of Indiana	76⅜	76½
Standard Oil of New Jersey	45⅜	45⅜
Standard Oil of New York	35	35
Texas Corporation (Common)	67⅛	66⅞
Texas Gulf Sulphur	69	70
Timken Roller Bearing	135⅛	134⅞
Union Carbide	163⅛	182¼
Union Pacific Railroad (Common)	198½	198¼
United States Leather	57	56¾
United States Realty & Imp Co.	61	80½
United States Rubber (Common)	41¼	41⅝
United States Rubber, 8% Pfd.	71	71¾
United States Steel	158⅜	157½
Victor Talking Machine (Com)	117¾	120
Wright Aeronautical	165¼	157¼

Chinese Government Railways

Peking-Hankow Line

"The Road Through the Heart of China"

For the safety of the travelling public, guard vans with armed police are provided for every train and more than 400 armed railway policemen are on duty at the various large stations.

To facilitate the passengers in making fast connections, local trains are run between Chengchow and Chang Teh and between Hankow and Kouang Choei.

To meet the demands of the travelling public, third class tickets are sold on the Special Express Trains running between Hankow and Chengchow with only a small additional charge.

For the comfort and convenience of the passengers, the Dining and Sleeping cars are newly embellished with all modern improvements.

For quick transportation of goods, many additional freight trains are scheduled under the supervision of our Traffic Department.

In spite of the urgent demand for troop trains, our regular trains are always operated on scheduled time.

TIME TABLE

TRAIN	DEPART FROM	ARRIVE AT
* 1 Express	Hankow (T.C.M.) Every Monday 10 P.M.	Chengchow Every Tues. 6:55 P.M.
+ 2 Express	Chengchow Every Thurs. 10 P.M.	Hankow (T.C.M.) Every Fri. 8:40 P.M.
‡ 5 Local	Hankow (T.C.M.) 6:10 P.M. Daily	Chengchow 6:43 A.M. Third Day
6 Local	Chengchow 7:15 P.M. Daily	Hankow (T.C.M.) 6:48 A.M. Third Day
51 Local	Chengchow 8:00 A.M. Daily	Chang Teh 5:00 P.M.
52 Local	Chang Teh 8:23 A.M. Daily	Chengchow 5:45 P.M.
74 Local	Hankow (Y.T.M.) 7:30 A.M. Daily	Kouang Choei 1:38 P.M.
75 Local	Kouang Choei 8:00 A.M. Daily	Hankow (Y.T.M.) 2:10 P.M.

REMARKS: *With First and Second Class Sleeping and Dining Cars. +Third Class tickets are sold on this train with a small additional charge. ‡With 1st, 2nd, 3rd Class Cars and Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Hankow Line, Managing Director, Peking-Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

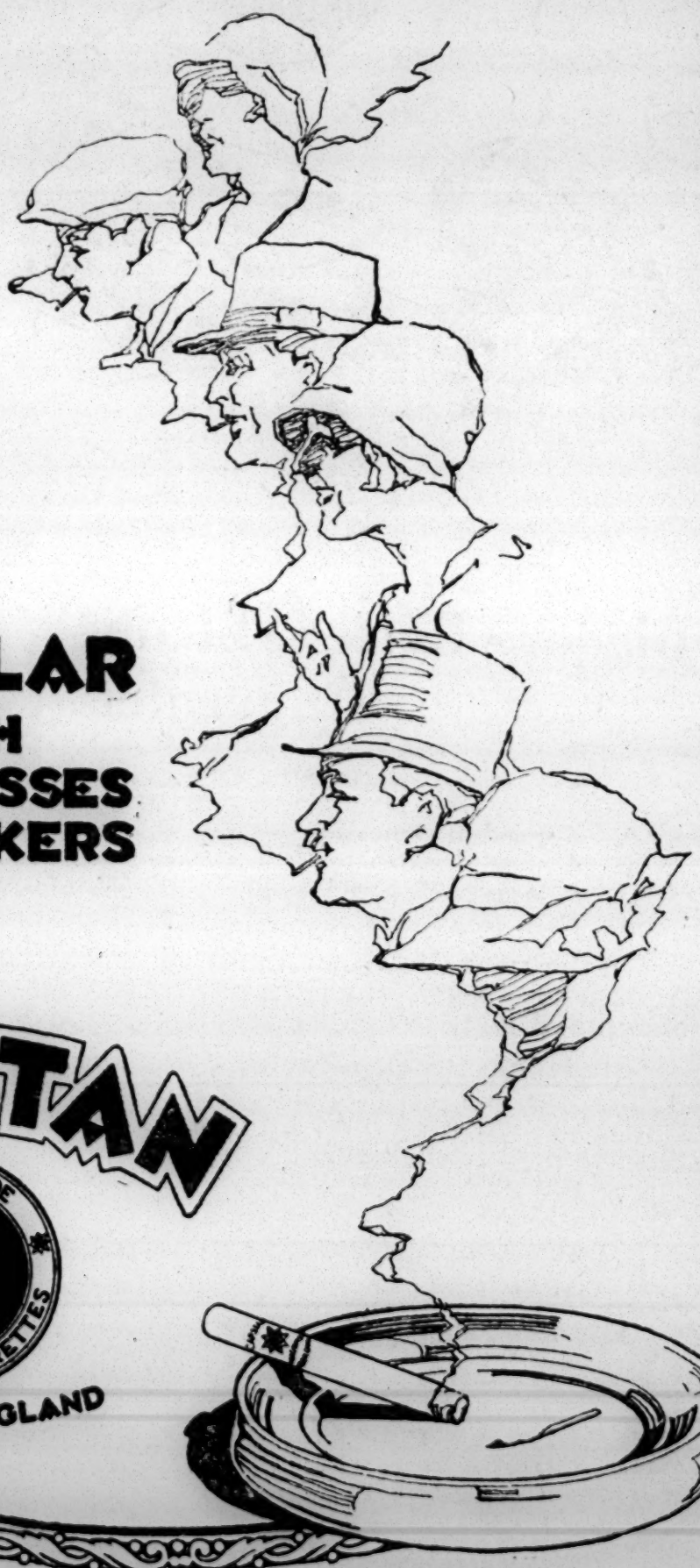
This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road, Shanghai



POPULAR WITH ALL CLASSES OF SMOKERS

CAPSTAN

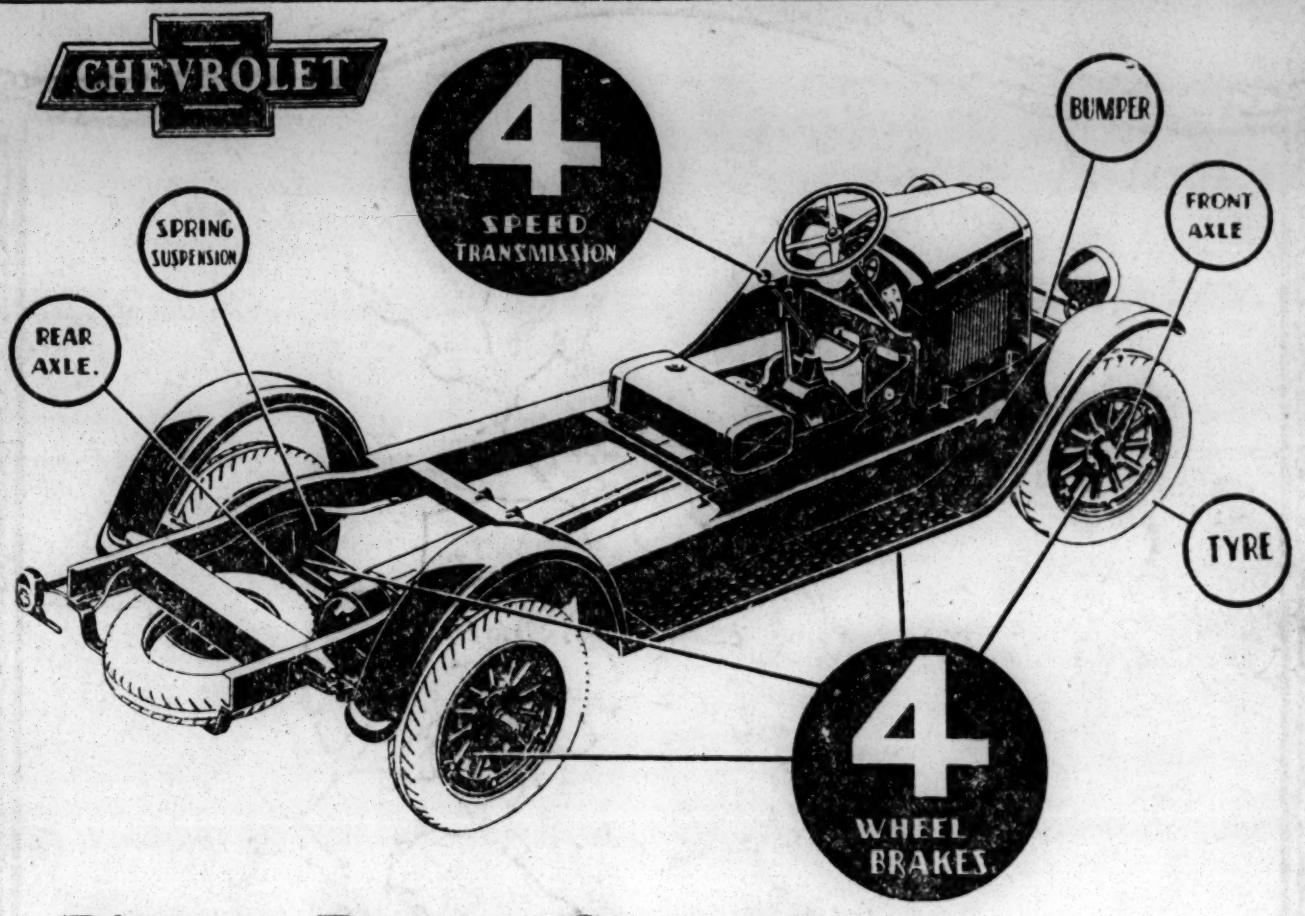
HIGH GRADE CAPSTAN VIRGINIA CIGARETTES

MADE IN ENGLAND

EB-792 This advertisement is issued by the British-American Tobacco Co., (China) Ltd.

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China.



Bigger - Better - Stronger—
Chevrolet Utility Truck

IMPORTANT IMPROVEMENTS

1. 4-speed transmission.
2. 4-wheel brakes.
3. 5 large 32″ × 6″ tyres.
4. New front axle.
5. New rear axle.
6. Improved springs.
7. Reinforced frame.
8. New Front Channel Bumper.

In the new Chevrolet Utility Truck, General Motors presents a truck whose basic principles have stood the test of millions of miles of actual driving in the hands of every kind of owner.

Study this truck point by point, feature by feature,—talk over with Chevrolet owners the satisfaction in service and economical transportation they have enjoyed—and there can be no doubt as to the truck you will buy.

Catalogue upon request

BUY ONLY GENUINE PARTS FROM AUTHORIZED DEALERS

SHANGHAI
Hartzenbusch Motor Co.,
456 Avenue Foch.

TIENTSIN
Chihli Motors Ltd.,
11 Rue de Paris

HANKOW
Arnhold & Co.,
S.A.D. No. 1 The Bund.

HARBIN
G. A. Bashkiroff & Co., Inc.,
5 Horvatovsky (P. O. Box 11)

TSINGTAO
Casey & Lyttle,
Li Tsun & Weihsien Roads.

PEKING
Chihli Motors Ltd.,
11 Rue de Paris, Tientsin.

CHEVROLET IS A PRODUCT OF GENERAL MOTORS